Manitoba
Finance

Financial Statements of Boards, Commissions and Government Agencies

of the
Province of Manitoba

for the Year ended 31st March, 1991

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GOVERNMENT OF THE PROVINCE OF MANITOBA
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Chartered Accountants

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Price Waterhouse

December 12, 1990

Auditors' Report

To the Shareholder of
A. E. McKenzie Co. Ltd.

We have audited the consolidated balance sheet of A. E. McKenzie Co. Ltd. as at October 31, 1990 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Price Waterhouse

Chartered Accountants

A. E. McKenzie Co. Ltd.

Consolidated Balance Sheet

	October 31 1990	 1989
Assets		
Current assets		
Cash and term deposits	$1,690,351	$1,576,597
Accounts receivable	1,819,779	1,604,502
Inventory (Note 1)	4,328,243	4,038,836
Prepaid expenses	36,923	65,118
	7,875,296	7,285,053
Fixed assets (Note 2)	833,643	847,690
Other assets (Note 3)	174,324	200,783
Equipment under capital lease (Note 4)	394,840	492,839
	$9,278,103	$8,826,365
Liabilities		
Current liabilities		
Cheques issued in excess of funds on deposit (Note 5)	$ 136,024	$ 252,551
Accounts payable and accrued liabilities	1,783,537	1,604,418
Current portion of capital lease (Note 4)	82,221	72,246
	2,001,782	1,929,215
Obligations under capital lease (Note 4)	290,816	373,038
	2,292,598	2,302,253
Shareholder's Equity		
Share capital (Note 6)	5.379,590	5,629,588
Retained earnings	1,605,915	894,524
	6,985,505	6,524,112
	$9,278,103	$8,826,365

Approved by the Board ______________ Director Sharon S. Taylor Director

A. E. McKenzie Co. Ltd.

Consolidated Statement of Retained Earnings

	Year ended October 31 1990	1989
Retained earnings (deficit), beginning of year	$ 894,524	$ (6,160,813)
Net income for the year	711,391	416,425
Contributed surplus, applied to deficit (Note 6)	-	6,638,912
Retained earnings, end of year	$ 1,605,915	$ 894,524

A. E. McKenzie Co. Ltd.

Consolidated Statement of Income

	Year ended October 31	
	1990	1989
Sales	$15,451,738	$14,087,237
Cost of sales	8,156,160	7,640,460
Gross profit	7,295,578	6,446,777
Expenses		
Selling, marketing and distribution	5,099,127	4,776,938
Administration	1,603,250	1,363,093
	6,702,377	6,140,031
	593,201	306,746
Other income	195,528	186,149
Operating income	788,729	492,895
Interest		
Long-term	-	16,891
Short-term (Note 5)	24,266	45,407
Capital lease (Note 4)	53,072	14,172
	77,338	76,470
Net income for the year	$ 711,391	$ 416,425

A. E. McKenzie Co. Ltd.

Consolidated Statement of Changes in Financial Position

	Year ended October 31	
	1990	1989
Cash provided by (used in) operating activities		
Net income for the year	$ 711,391	$ 416,425
Add (deduct) items not affecting cash		
Depreciation and amortization	424,298	343,352
Gain on sale of fixed assets	(3,496)	(23,143)
	1,132,193	736,634
Changes in non-cash operating items		
Increase in accounts receivable	(215,277)	(184,453)
Decrease (increase) in inventory	(289,407)	468,499
Decrease in prepaid expenses	28,195	65,412
Increase (decrease) in accounts payable and accrued liabilities	179,119	(38,118)
Increase (decrease) in cheques issued in excess of cash on deposit	(116,527)	252,551
Cash provided by operations	718,296	1,300,525
Cash provided by (used in) financing activities		
Redemption and reduction of long-term debt	-	(251,177)
Reduction in stated capital of Class B preferred shares	(249,998)	(6,638,912)
Increase in contributed surplus	-	6,638,912
Decrease in contributed surplus	-	(6,638,912)
Decrease in deficit	-	6,638,912
Cash used in financing activities	(249,998)	(251,177)
Cash provided by (used in) investment activities		
Purchase of equipment under capital lease	-	(424,693)
Purchase of fixed assets	(216,294)	(182,964)
Proceeds from disposal of fixed assets	5,670	56,655
Design development costs	(71,673)	(102,147)
Increase (decrease) in obligations under capital lease	(72,247)	261,164
Cash used in investment activities	(354,544)	(391,985)
Increase in cash and term deposits	113,754	657,363
Cash and term deposits, beginning of year	1,576,597	919,234
Cash and term deposits, end of year	$1,690,351	$1,576,597

A. E. McKenzie Co. Ltd.

Notes to Consolidated Financial Statements
October 31, 1990

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1. Significant accounting policies

The following is a summary of significant accounting policies of the Company:

a) Consolidated accounts

These financial statements consolidate the accounts of A.E. McKenzie Co. Ltd. and the following wholly-owned subsidiaries:

Steele Briggs Ltd.
McFayden Seeds Ltd.
Pike & Co. Ltd.
Canada Seeds Ltd.

b) Inventory

Inventory is valued at the lower of cost or net realizable value. Cost of manufactured goods and work in process includes material, labor and plant overhead. Cost of finished packets is determined at average cost by variety. Cost for bulk seed is determined at laid-down cost by specific item. Inventory purchased for resale and packaging and shipping materials are valued at an average laid-down cost by item. Provision has been made for obsolescence, germination and slow moving stocks.

c) Depreciation - fixed assets

Depreciation of fixed assets is recorded on the straight-line basis using the following rates:

Buildings	2%
Building renovations	10%
Equipment	10%
Leasehold improvements	Term of lease
Display stands and trays	20%
Equipment under capital leases	20%

d) Amortization - other assets

i) Computer development costs are amortized on a straight-line basis over five years.

ii) Design development costs associated with new products are amortized on a straight line basis over five years. Unamortized design development costs for products discontinued are written off completely in the year of discontinuation.

iii) Goodwill is amortized on a straight line basis over 10 years.

e) Foreign exchange

The accounts of the Company denominated in foreign currency have been translated to Canadian dollars on the following basis:

i) Income and expenses are translated using the average currency rates in effect during the period.

ii) Monetary items (primarily accounts payable) are translated at the exchange rate at the financial statement date.

iii) Non-monetary items (primarily inventories) are translated at their historic exchange rates.

The resulting foreign currency gains or losses are included in other income (loss) in the current year.

f) Pension plans

The Company maintains two fully funded pension plans for its employees.

i) Pension cost related to the cost-based plan is recorded based on the required contribution under the formula stated in the plan.

ii) Pension cost related to the benefit-based plan is calculated pro-rated on service, using the accrued benefit method of actuarial valuation with projected earnings, based on management's best estimate of future events. Funding requirements are adjusted to reflect the results of periodic actuarial valuations which occur approximately every three years. The pension fund assets and projected pension benefit obligations at October 31 are approximately as follows:

	October 31	
	1990	**1989**
Market value of pension fund assets	$1,772,017	$1,937,848
Less: Accumulated projected pension benefit obligation	1,690,637	1,716,736
Excess of assets over projected pension benefit obligation	$ 81,380	$ 221,112

g) Revenue recognition

A substantial portion of the Company's sales are made on a guaranteed sale or consignment basis.

During the year the Company records all shipments as sales, with a provision for returns based on historical experience.

As of the year-end date substantially all returns have been processed. For returns which have not been processed, the Company records a provision based on its actual returns for the year.

h) Income tax

The Company is owned by the Manitoba Government and its agency, the Manitoba Development Corporation. It is therefore exempt from income tax.

2. Fixed assets

	1990		1989	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Autos	$ 10,807	$ 5,500	$ 10,807	$ 3,338
Land	30,953	-	30,953	-
Buildings	1,833,269	1,414,887	1,787,484	1,332,528
Equipment	1,632,864	1,396,477	1,546,235	1,320,782
Leasehold improvements	49,733	43,549	49,093	42,638
Trays and display stands	704,634	568,204	638,756	516,352
	4,262,260	3,428,617	4,063,328	3,215,638
Cost less accumulated depreciation	$833,643		$847,690	

3. Other assets

	1990		1989	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Development				
Design	$789,617	$615,293	$717,944	$517,461
Computer	63,487	63,487	63,487	63,187
	853,104	678,780	781,431	580,648
Cost less accumulated amortization	$174,324		$200,783	

4. Leases

	1990	1989
Equipment under capital lease	$584,770	$584,770
Accumulated amortization	189,930	91,931
	$394,840	$492,839

The future minimum lease payments under capital and operating leases that have initial or remaining non-cancellable terms in excess of one year at October 31, 1990 are as follows:

	Capital Leases	Operating Leases
1991	$125,320	$107,271
1992	120,920	65,157
1993	100,770	6,100
1994	100,770	-
Total minimum lease payments	447,780	$178,528
Less: Imputed interest at 14.8%	74,743	
	373,037	
Present value of obligations under capital lease due within one year	82,221	
Long-term obligations under capital lease	$290,816	

Aggregate rentals paid on operating leases for real estate, automobiles, computer software and other equipment for the year ended October 31, 1990 amounted to $235,606 (1989 - $266,495). The Company is responsible for all operating costs related to the above. The Company has also guaranteed certain minimum values for automobile leases.

5. Bank loans

Bank loans which are required from time to time are secured by inventory, accounts receivable and assignment of fire insurance policy. Bank loans bear interest at prime.

6. Share capital

Authorized
2,000 Class A common shares, maximum consideration $200,000
5,000,000 Class B common shares, maximum consideration $5,000,000
5,000,000 Class A preferred shares, non-voting, non-cumulative dividends at the rate of 6% per annum, redeemable, maximum consideration $5,000,000
7,154,000 Class B preferred shares, non-voting, non-cumulative dividends at the rate of 6% per annum, redeemable, convertible, maximum consideration $515,088

Issued and fully paid	1990	1989
1,145 Class A common shares	$ 114,500	$ 114,500
5,000,000 preferred A shares	5,000,000	5,000,000
3,681,800 preferred B shares	265,090	515,088
	$5,379,590	$5,629,588

On October 31, 1989 the following transactions, which were approved by the Board of Directors and the shareholders, occurred with respect to share capital:

i) The stated capital of the Class B preferred shares was reduced by $6,638,912 and transferred to contributed surplus. The redemption value of these shares was reduced from $1.00 per share to $.072 per share.

ii) The contributed surplus was reduced by $6,638,912 and was applied against the deficit.

iii) The shareholder of the Class A preferred shares waived the right to the dividends in arrears at October 31, 1989 of $2,100,000 (1988 - $1,800,000). The dividend feature of these shares was amended from cumulative to non-cumulative.

The Class A preferred shares are redeemable, at the option of the holder and the Company, at $1.00 per share together with any dividends declared and unpaid.

The Class B preferred shares are redeemable at $.072 per share together with any dividends declared and unpaid. During 1990 the Board of Directors approved the redemption of 3,472,200 Class B preferred shares. On October 31, 1990 a cheque in the amount of $249,998 was given to the Manitoba Development Corporation.

The preferred shares are convertible only with the written approval of the Lieutenant-Governor in Council of the Province of Manitoba. The terms of conversion have not been specified.

All of the issued common shares are owned by the Province of Manitoba. All of the issued preferred shares are owned by the Manitoba Development Corporation.

7. Contingencies

The Company is a party to certain litigation arising in the normal course of business, the aggregate effect of which, in the opinion of management, would not have a material effect on the Company's consolidated financial statements.

8. Subsequent event

On November 26, 1990, the Company entered into an agreement to purchase certain assets of the mail order division of McConnell Nurseries Inc. at a cost of $300,000 in addition to the liability the Company will assume related to leases for certain mailing and computer equipment, for which the maximum liability will not exceed $315,000.

9. Imputed interest cost information

The following information is supplied in accordance with a request of the Minister of Finance.

The annual borrowing cost to the Government for the investment of $5,515,088 in Class A and B preferred shares, at the weighted average rate of interest paid by the Government in respect of its debt, is as follows:

	1990	1989
Shares outstanding		
Beginning of year	$ 5,515,088	$12,154,000
End of year	5,265,090	5,515,088
Weighted average balance	5,514,403	12,135,811
Interest rate	10.60%	10.05%
Borrowing cost	$ 584,526	$ 1,219,649

The above borrowing cost has not been reflected in the Company's financial statements.

10. Comparative figures

The prior year's comparative figures were prepared by other auditors.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Alcoholism Foundation of Manitoba as at March 31, 1991 and the statements of revenue, expenditure and retained earnings, unexpended capital grant and cash receipts and disbursements for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As reflected in note 4, the Foundation's unfunded pension liability at March 31, 1991 was $5,261,418. In accordance with the Foundation's accounting policy, described in note 2, this liability and the related pension costs have not been reflected in these financial statements. In our opinion, however, this accounting policy is inappropriate because the obligations of the Foundation are not fully disclosed. If the unfunded pension liability and the associated pension costs had been recorded, the liabilities would have been increased and the funds available for future operations would have been decreased by $5,261,418. Also, pension costs for the year ended March 31, 1991 would have been increased by $775,687.

As at March 31, 1991, the Foundation recorded cheques issued subsequent to the year end, in payment of expenditures for the year then ended, as cash transactions rather than as accounts payable. If these payments had been properly recorded, cash and accounts payable would have been increased by $266,137 as at March 31, 1991.

During the year, the Province of Manitoba paid for property renovations on behalf of and at no cost to the Foundation. This transaction has not been recorded by the Foundation. In our opinion the donated property renovations should be recorded at fair value in the financial statements. If the donated property renovations had been recorded at fair value, revenues and expenditures would have been increased by $356,920 for the year ended March 31, 1991.

In our opinion, except for the failure to record unfunded pension liabilities and donated property renovations and the failure to properly reflect accounts payable, as described in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
September 20, 1991

F. H. Jackson, CA
Provincial Auditor

EXHIBIT A

THE ALCOHOLISM FOUNDATION OF MANITOBA

(Incorporated under the laws of Manitoba)
Balance Sheet as at March 31, 1991

	1991	1990
ASSETS		
Cash	$ 481,489	$ 542,527
Accounts receivable	98,479	95,751
Prepaid insurance	9,937	10,437
Land and buildings (Note 2)	1,968,315	1,894,657
	$ 2,558,220	$ 2,543,372
LIABILITIES		
Accounts payable and accrued liabilities	$ 43,844	$ 31,792
CAPITAL AND RETAINED EARNINGS		
Capitalized land and buildings	1,968,315	1,894,657
Unexpended capital grant, Exhibit C (Note 6)	106,346	282,504
Retained earnings, Exhibit B	439,715	334,419
	2,514,376	2,511,580
	$ 2,558,220	$ 2,543,372

Approved by the Board:

Chairman ____________________

Treasurer ____________________

EXHIBIT B

THE ALCOHOLISM FOUNDATION OF MANITOBA

Statement of Revenue, Expenditure and Retained Earnings
Year Ended March 31, 1991

	1991	1990
Revenue:		
Government of the Province of Manitoba operating grant	$ 10,644,200	$ 10,385,000
Other revenue (Note 5)	1,223,057	1,275,296
	11,867,257	11,660,296
Expenditure, Schedule 1:	11,761,961	11,523,838
Excess of revenue over expenditure	105,296	136,458
Retained earnings, beginning of year	334,419	197,961
Retained earnings, end of year, Exhibit A	$ 439,715	$ 334,419

EXHIBIT C

THE ALCOHOLISM FOUNDATION OF MANITOBA

Statement of Unexpended Capital Grant
Year Ended March 31, 1991

	1991	1990
Unexpended capital grant, beginning of year	$ 282,504	$ -
Government of the Province of Manitoba specific purpose grant (repayment) (Note 6)	(102,500)	300,000
	180,004	300,000
Architect fees	48,310	9,525
Engineering fees	20,548	
Legal fees	3,138	5,196
Other	1,662	2,775
	73,658	17,496
Unexpended capital grant, end of year, Exhibit A	$ 106,346	$ 282,504

EXHIBIT D

THE ALCOHOLISM FOUNDATION OF MANITOBA

Statement of Cash Receipts and Disbursements
Year Ended March 31, 1991

	1991	1990
Cash receipts:		
Government of the Province of Manitoba:		
Operating grants	$ 10,644,200	$ 10,385,000
Capital grant (Note 6)	(102,500)	300,000
Other	1,220,414	1,234,312
	11,762,114	11,919,312
Cash disbursements:		
Operating, including grants to external agencies	11,749,494	11,521,189
Capital	73,658	17,496
	11,823,152	11,538,685
Excess of receipts (under) over disbursements	(61,038)	380,627
Cash, beginning of year	542,527	161,900
Cash, end of year	$ 481,489	$ 542,527

SCHEDULE 1

THE ALCOHOLISM FOUNDATION OF MANITOBA

Schedule of Expenditures
Year Ended March 31, 1991

	1991	1990
Grants to other agencies	$ 1,945,500	$ 1,837,700
Salaries	6,092,188	5,945,786
Wages	731,535	699,607
Advertising and exhibits	34,963	23,184
Audio-visual aids	29,520	27,561
Audit	5,400	5,135
Board of Governors' honorarium	25,196	24,324
Books, newspapers and periodicals	27,561	25,686
Educational literature	71,231	73,889
Employee benefits	418,951	404,145
Fees	221,578	248,269
Food supplies	233,315	237,733
Furnishings and equipment	97,997	92,526
Health and post secondary education tax levy	153,179	148,325
Household supplies	73,225	80,919
Materials, repairs and maintenance	220,848	265,028
Medical services and supplies	120,063	130,919
Miscellaneous	27,381	24,630
Pension	106,103	108,153
Postage and telephone	211,715	195,723
Printing, stationery and office supplies	163,292	141,830
Rent, Insurance and Property Taxes	129,332	138,055
Research grants and evaluation projects	10,980	6,764
Staff development	74,153	62,215
Training	72,856	115,719
Transportation of patients	7,978	6,115
Travel and Automobile	300,815	298,490
Utilities	155,106	155,408
Total, Exhibit B	$ 11,761,961	$ 11,523,838

Notes to Financial Statements
Year Ended March 31, 1991

1. Nature of the Foundation

The Foundation is incorporated under the Alcoholism Foundation of Manitoba Act. The Foundation is the provincial authority responsible for providing prevention and treatment programs related to chemical misuse and dependency to individuals and communities; for conducting research into the negative effects of substance abuse; and in so doing, for promoting the health and well-being of Manitobans. The Foundation is a registered charity within the meaning of The Income Tax Act.

2. Accounting Policies

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles with the exceptions that:

a) pension charges are reflected when paid and reciprocal transfers are reflected when received (explained in Note 4),

b) the costs of leasehold improvements, renovations, furniture, equipment and supplies are expensed in the year of purchase,

c) there has been no provision made in the accounts for depreciation of buildings. The buildings were acquired with specific grant funds from the Government of the Province of Manitoba or donations. Land and buildings are valued at cost except for Matheson House, Brandon and Polaris Place, Thompson which are each recorded at a nominal value of $1, and

d) accrued vacation pay is not recorded. The unrecorded liability amounted to $592,609 as at March 31, 1991 ($543,998 - March 31, 1990).

3. Lease Commitments

The Foundation leases buildings and equipment under long-term operating leases which expire at various dates between 1991 and 1995. Some of these leases contain renewal options at rates to be negotiated. The following is a schedule by years of future minimum rental payments required under operating leases that have initial lease terms in excess of one year, as of March 31, 1991:

1992	$30,433
1993	26,256
1994	16,998
1995	1,986
	$75,673

4. Pension

Employees of the Alcoholism Foundation of Manitoba are pensionable under the Civil Service Superannuation Fund and make contributions at prescribed rates. The Foundation is required to pay 50% of the Fund's pension disbursements made to retired employees and these are charged to pension expenditures as paid. The Foundation records 50% of the pension benefit transfers under reciprocal agreement as other revenue when received. No provision is made in the accounts to fund current or past service costs but the Superannuation Fund is subject to a triennial actuarial review. Based on formulas provided in an actuarial report completed as at December 31, 1989, the estimated unfunded liability on an indexed basis for the Foundation's employees amounted to $5,261,418 as at March 31, 1991 ($4,485,731 as at March 31, 1990).

5. Other Revenue

	1991	1990
Impaired Drivers Program fees	$ 748,690	$ 706,105
Recovery of wages, medical services and travel expenditure	104,966	100,635
Service contracts	83,339	156,171
Training course fees	63,348	56,526
Donations	5,252	36,185
Pension benefit transfer under reciprocal agreement	1,253	-
Interest	124,855	66,083
Conference fees	25,200	49,300
Property rental	22,299	19,996
Miscellaneous	43,855	84,295
	$1,223,057	$1,275,296

Included in recovery of wages, medical services, travel expenditures and service contracts is $120,202 (1990 - $147,848) from the Government of Canada; $0 (1990 - $14,792) from the Government of the Province of Manitoba; $68,103 (1990 - $69,166) from the Manitoba Health Services Commission; and $0 (1990 - $25,000) from the Manitoba Health Research Council.

6. Province of Manitoba Capital Grant

The Foundation repaid, due to reduced cash flow requirements, $102,500 of the $300,000 grant it received in the 1990 fiscal year for the construction of a new facility in Brandon. The Foundation has received approval for the new facility and provincial support will total $1,446,000. On March 21, 1991, the Foundation approved a contract for the construction of the facility in the amount of 1,267,792.

7. Related Party Transaction

The Foundation received a benefit from the Province of Manitoba for renovations to Foundation property in the City of Winnipeg. The renovations were in the amount of $356,920. These costs were incurred and administered by the Department of Government Services of the Government of the Province of Manitoba. These costs have not been reflected in the financial statements.

8. Comparative Figures

Comparative figures have been restated where necessary to conform with the presentation adopted for the current year.

WINTEMUTE
RANDLE
KILIMNIK

CHARTERED ACCOUNTANTS

Auditors' Report

The Board
The Alonsa Conservation District No. 3
Alonsa, Manitoba

We have audited the balance sheet of The Alonsa Conservation District No. 3 as at March 31, 1991 and the statement of revenue, expenditure and surplus for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at March 31, 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Wintemute, Randle, Kilimnik

Chartered Accountants

Winnipeg, Manitoba
September 16, 1991

Associated with
JEFFREYS HENRY INTERNATIONAL

THE ALONSA CONSERVATION DISTRICT NO. 3

Balance Sheet
As At March 31, 1991

Assets

	1991	1990
Current		
Bank and term deposit	$ 15,365	$ 43,183
Accounts receivable		
Farmers re seed	27,203	12,364
Other	171	-
	42,739	55,547
Fixed, notes 1 and 2	21,920	8,947
	$ 64,659	$ 64,494

Liabilities And Surplus

	1991	1990
Current		
Conservation District Authority	$ -	$ 266
Accounts payable	14,665	1,480
Unexpended Ducks Unlimited grant	3,982	3,983
Unexpended Lotteries grant	-	15,000
Unexpended Shell grant	2,500	-
	21,147	20,729
Emergency reserve account	5,000	5,000
Surplus	38,512	38,765
	$ 64,659	$ 64,494

THE ALONSA CONSERVATION DISTRICT NO. 3

Statement Of Revenue, Expenditure And Surplus
For The Year Ended March 31, 1991

	1991	1990
Revenue		
Province of Manitoba allocated grant	$190,100	$191,600
Municipal Grant		
General	30,095	30,095
Manager's salary	7,000	11,500
Forage seed recoveries	28,482	25,234
Bank interest	7,388	4,707
Province of Manitoba - employment grant	-	2,688
Ducks Unlimited	-	335
Farming for Tomorrow	3,256	-
Manitoba Lotteries Grant	25,000	-
Sundry	3,239	832
	294,560	266,991
Expenditure		
Projects		
Multi-use	6,083	-
Farming for Tomorrow	3,256	-
Miscellaneous crossing repairs	9,042	12,903
Channel maintenance	49,186	48,504
Westroc Mine rehabilitation	2,107	-
Portia Interpretive Centre	58,666	-
	128,340	61,407
Board remuneration and expense	10,425	10,233
Other administration	32,602	30,460
Manager's salary and expense	33,384	39,801
Forage seed	76,487	100,938
Resource extension and education	1,934	6,149
Summer student	2,623	3,117
Fisheries	5,552	85
Historic resources	1,000	545
Soils	379	1,962
Wildlife	2,087	5,389
	294,813	260,086
Excess revenue (expenditure)	(253)	6,905
Surplus, beginning of year	38,765	31,860
Surplus, end of year	$ 38,512	$ 38,765

THE ALONSA CONSERVATION DISTRICT NO. 3

Notes To Financial Statements
March 31, 1991

1. Significant accounting policy

   a) Depreciation

   Depreciation on fixed assets is calculated on a straight-line basis at 15% per annum and prorated in the year of acquisition.

   b) Comparative figures

   The 1990 comparative figures have been reclassified, where applicable, to conform with the presentation used in the current year.

   c) Provincial contributions

   In addition to cash grants, the Province of Manitoba provides the engineering and technical staff requirements of the District at no charge.

2. Fixed assets, at cost

	1991	1990
Office equipment	$ 22,549	$ 8,151
District equipment	4,339	3,998
	26,888	12,149
Less, accumulated depreciation	4,968	3,202
	$ 21,920	$ 8,947

THE ALONSA CONSERVATION DISTRICT NO. 3

Schedule Of Provincial Contributions
For The Year Ended March 31, 1991

	Amount	% Shareable Province	/District	Share, Note 1 Province	/District
Projects and Programs					
Public Relation & Education	$ 1,934	75	25	$ 1,451	$ 483
On-site person	2,623	29	71	750	1,873
Forage seed	76,487	64	36	49,000	27,487
Portia Interpretive Centre	58,666	32	68	18,750	39,916
Demo's and programs	379	75	25	284	95
Farming for Tomorrow	3,256	-	100	-	3,256
Wildlife	2,087	75	25	1,565	522
Fisheries	5,552	75	25	4,164	1,388
Heritage	1,000	75	25	750	250
Channel maintenance	49,186	75	25	36,890	12,296
Crossings	9,042	75	25	6,782	2,260
Multi-use	6,083	75	25	4,562	1,521
Westroc	2,107	36	64	750	1,357
Vehicle	14,398	67	33	8,621	5,777
	232,800			134,319	98,481
Administration					
Board administration	10,424	75	25	7,818	2,606
Other administration	11,134	75	25	8,351	2,783
	2,036	-	100	-	2,036
Manager's salary	25,968	75	25	19,476	6,492
Manager's exp. & vehicle	7,415	75	25	5,561	1,854
Secretary Treasurer's salary and expenses	19,433	75	25	14,575	4,858
	$309,210			$190,100	$119,1[illegible]0

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Board of Administration under The Embalmers and Funeral Directors Act as at December 31, 1990 and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
September 9, 1991

BOARD OF ADMINISTRATION UNDER THE EMBALMERS AND FUNERAL DIRECTORS ACT

Balance Sheet
as at December 31, 1990

	1990	1989
ASSETS	$	$
Cash	55,955	51,988
Accounts and accrued interest receivable	547	644
	56,502	52,632
LIABILITIES		
Accounts payable and accrued liabilities	2,900	1,774
Unearned revenue	35	-
	2,935	1,774
RETAINED EARNINGS		
Balance, beginning of year	50,858	47,617
Add: Revenue over expenditure for the year	2,709	3,241
Balance, end of year	53,567	50,858
	56,502	52,632

Signed on behalf of the Board

_____________________ Director

_____________________ Director

BOARD OF ADMINISTRATION UNDER THE EMBALMERS AND FUNERAL DIRECTORS ACT

Statement of Revenue and Expenditure for the year ended December 31, 1990

	1990	1989
	$	$
Revenue:		
Articled student registration, courses and examination fees	10,125	12,739
Licences:		
Funeral Homes	5,300	5,300
Funeral Directors	4,500	4,450
Embalmers	1,815	1,790
Agents	250	250
Interest	4,017	4,291
Miscellaneous	-	100
	26,007	28,920
Expenditure:		
Courses and seminars - instruction, classrooms, texts	15,752	18,441
Audit and accounting	1,006	1,685
Miscellaneous	1,150	1,303
Honoraria - assistant principal	500	1,000
- registrar	1,000	1,000
- board members	425	350
Board meetings	1,986	992
Printing and stationery	1,057	520
Postage	422	388
	23,298	25,679
Revenue over expenditure	2,709	3,241

BOARD OF ADMINISTRATION UNDER
THE EMBALMERS AND FUNERAL DIRECTORS ACT

Notes to Financial Statements
December 31, 1990

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1. Nature of the Board of Administration

   The Embalmers and Funeral Directors Act established the Board of Administration to license and regulate embalmers and funeral directors and to prescribe the courses of training and instruction for articled students.

2. Summary of Significant Accounting Policies

   a) An accrual basis of accounting is used.

   b) The Province of Manitoba provides the services of a bookkeeper and an accountant at no charge to the Board of Administration. These services are estimated to be $5,000 per year and are not reflected in these statements.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the comparative balance sheet of Brandon University as at March 31, 1991, and the comparative statements of general fund revenues and other additions and expenditures and other deductions, changes in fund accounts, and investment in fixed assets for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements.

Fred H. Jackson
F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 7, 1991

Brandon University
Comparative Balance Sheet
as at March 31, 1991 and March 31, 1990

Statement A

ASSETS

	1991	1990
Current:		
Cash		
General operating	$ 1,388,918	$ 1,983,563
Accounts receivable		
General (note 7)	764,641	411,788
Special	1,185,632	382,945
Bookstore inventory, at cost	178,744	168,083
Prepaid expenses	154,568	182,149
	3,672,503	3,128,528
Funds held by Brandon University Foundation (note 14)	5,237,639	3,949,020
Loan receivable (note 12)	683,244	739,950
Investment in Subsidiary Company (note 9)	295,656	234,069
Fixed: Schedule 1 (notes 1C, 2 and 3)		
Land and buildings (note 13)	41,487,959	36,189,444
Furnishings and equipment	19,372,310	18,382,582
Zone properties	309,520	308,772
Construction in progress	56,000	1,004,794
	61,225,789	55,885,592
	$ 71,114,831	$ 63,937,159

Approved by the Brandon University
Board of Governors on 20 June 1991

Treasurer

Larry I. Dawson
Vice-President, Administration & Finance

LIABILITIES & FUND BALANCES

	1991	1990
Current:		
Accounts payable and accrued liabilities	$ 2,072,437	$ 2,131,436
Deferred income	12,102	62,516
	2,084,539	2,193,952
Long-term:		
5 1/8% Mortgage, $41,608 principal and interest payable semi-annually July 1, January 1, to 2012	1,076,703	1,103,696
8 1/4% Mortgage, $66,686 principal and interest payable semi-annually April 1, October 1, to 2021	1,484,764	1,495,004
Early Retirement Agreements (note 6)		53,017
Zone properties mortgages (note 1D)		4,385
	2,561,467	2,656,102
Fund Balances:		
Operating, Regular	757,095	444,883
Early Retirement Appropriation (note 6)	(46,090)	(154,895)
Operating Fund Account, Statement C	711,005	289,988
Specific Provisions Fund Account, Statement D	32,783	30,532
Research and Special Purpose Fund, Statement E (note 1F)	1,494,087	968,750
Capital Purpose Fund, Statement F (note 1G)	152,357	451,262
	2,390,232	1,740,532
Trust:		
Scholarship and Endowment Fund (note 14)	5,237,639	3,949,020
Equity in Subsidiary Company (note 9)	295,656	234,069
Investment in Fixed Assets, Statement G	58,545,298	53,163,484
	$ 71,114,831	$ 63,937,159

Comparative Statement of General Fund Revenues and Other Additions and Expenditures and Other Deductions for the years ended March 31, 1991 and March 31, 1990

Statement B

	Operating Fund Account		Research and Special Purpose Fund Account
	1991	1990	1991
REVENUES AND OTHER ADDITIONS:			
Student Fees	$ 3,990,607	$ 3,233,647	$ 45,214
Grants:			
Universities Grants Commission	13,968,595	13,398,400	
Province of Manitoba			3,266,972
Government of Canada			1,591,937
City of Brandon	140,000	180,000	
Other	16,159	46,689	
Scholarships and bursaries Ancillary Enterprises	4,061,023	3,215,298	216,587
Miscellaneous	440,506	351,823	1,047,205
Total Revenues and Other Additions Schedule 2	22,616,890	20,425,857	6,167,915
EXPENDITURES AND OTHER DEDUCTIONS:			
Academic - general	11,465,726	10,460,792	
- specific			5,425,991
Library	1,227,201	1,127,996	
Student Services	1,188,258	1,121,834	
Administration	602,042	501,656	
General support	2,006,002	1,873,557	
Plant and maintenance	1,912,431	1,882,021	
Scholarships and bursaries Ancillary Enterprises	3,898,198	3,161,248	216,587
Total Expenditures and Other Deductions Schedule 3	22,299,858	20,129,104	5,642,578
Net Revenues and Other Additions (Net Expenditures and Other Deductions) for the year before Specific Provisions and Special Item	317,032	296,753	525,337
Appropriated Specific Provisions Statement D (note 10)	(2,251)	(10,790)	
Special Item (note 6) - Change in Early Retirement Appropriation	108,805	302,357	
Net Revenues and Other Additions (Net Expenditures and Other Deductions)	$ 423,586	$ 588,320	$ 525,337

Research and Special Purpose Fund Account		Capital Purpose Fund Account	Total	Total
1990	1991	1990	1991	1990
$ 34,372	$	$	$ 4,035,821	$ 3,268,019
	200,000	1,200,000	14,168,595	14,598,400
3,297,690			3,266,972	3,297,690
1,406,653			1,591,937	1,406,653
			140,000	180,000
			16,159	46,689
153,326				153,326
216,587			4,277,610	3,431,885
898,367			1,487,711	1,250,190
6,006,995	200,000	1,200,000	28,984,805	27,632,852
	(11,137)		11,454,589	10,460,792
5,446,354			5,425,991	5,446,354
			1,227,201	1,127,996
			1,188,258	1,121,834
			602,042	501,656
			2,006,002	1,873,557
	510,042	904,315	2,422,473	2,786,336
153,326				153,326
216,587			4,114,785	3,377,835
5,816,267	498,905	904,315	28,441,341	26,849,686
190,728	(298,905)	295,685	543,464	783,166
			(2,251)	(10,790)
			108,805	302,357
$ 190,728	$ (298,905)	$ 295,685	$ 650,018	$ 1,074,733

Comparative Statement of Operating Fund Account
for the years ended March 31, 1991 and March 31, 1990

Statement C

	1991	1990
Balance at beginning of year	$ 289,988	$ (294,482)
Add:		
Net Revenues and Other Additions (Net Expenditures and Other Deductions) for the year before Specific Provisions and Special Item - Statement B	317,032	296,753
	607,020	2,271
Change in specific provisions	(2,251)	(10,790)
Change in early retirement appropriation	108,805	302,357
	106,554	291,567
	713,574	293,838
Adjustment of prior years' operations, net	(2,569)	(3,850)
Balance at end of year, Statement A	$ 711,005	$ 289,988

Specific Provisions Fund Account
for the year ended March 31, 1991

Statement D

	Print Shop Equipment Replacement	Vehicle Replacement	Ancillary Enterprises	Total 1991	Total 1990
Balance at beginning of year	$ 3,448	$27,084	$	$ 30,532	$ 19,742
Provided from General Operating	33,518	14,350	44,117	91,985	36,862
Applied to General Operating	48,548	41,186		89,734	26,072
Balance at end of year Statement A (note 10)	$(11,582)	$ 248	$ 44,117	$ 32,783	$ 30,532

Statement of Research and Special Purpose Fund Account for the year ended March 31, 1991

Statement E

	Balance March 31, 1990
Research	
Government of Canada	
Social Sciences and Humanities Research Council	$ 53,209
Natural Sciences and Engineering Research Council	175,865
Others	5,419
Province of Manitoba	218
Others	126,480
	361,191
Special Purpose Fund	
Government of Canada	172,387
Province of Manitoba	105,660
Universities Grants Commission	
Others	135,180
	413,227
Special Programs	
Brandon University Northern Teacher Education Program (B.U.N.T.E.P.)	153,811
Program for the Education of Native Teachers (P.E.N.T.)	18,745
	172,556
Expenditure recoverable included in accounts receivable	21,776
Balance as at March 31, 1990 and 1991, Statements A & B	$ 968,750

Revenues and Other Additions	Expenditures and Other Deductions	Balance March 31, 1991
$ 47,500	$ 81,479	$ 19,230
329,004	322,208	182,661
49,100	43,062	11,457
15,500	15,216	502
80,333	61,413	145,400
521,437	523,378	359,250
1,166,333	969,074	369,646
383,372	213,791	275,241
216,587	216,587	
579,460	465,044	249,596
2,345,752	1,864,496	894,483
2,868,100	2,833,436	188,475
426,474	421,268	23,951
3,294,574	3,254,704	212,426
6,152		27,928
$ 6,167,915	$ 5,642,578	$ 1,494,087

Comparative Statement of Capital Purpose Fund Account for the years ended March 31, 1991 and March 31, 1990

Statement F

	1991	1990
Balance at beginning of year	$ 451,262	$ 155,577
Additions:		
Universities Grants Commission	200,000	1,200,000
Deductions:		
Queen Elizabeth II Music Building	(11,137)	
Steam Plant	510,042	904,315
	498,905	904,315
Net Change in the Year	(298,905)	295,685
Balance at end of year, Statement A	$ 152,357	$ 451,262

Comparative Statement of Investment in Fixed Assets for the years ended March 31, 1991 and March 31, 1990

Statement G

	1991	1990
Balance at beginning of year	$53,163,484	$51,293,744
Additions:		
Charges to expenditure	1,144,652	947,324
Construction during the year	510,042	904,316
Net Income from zone properties	4,385	3,513
Increase in Municipal Tax Assessment Value	4,721,150	18,100
Deductions:		
Mortgage repayment	(4,385)	(3,513)
Adjustment to value of old steam plant	(994,030)	
	5,381,814	1,869,740
Balance at end of year, Statement A	$58,545,298	$53,163,484

BRANDON UNIVERSITY

Notes to Financial Statements
for the year ended March 31, 1991

1. Significant Accounting Principles and Reporting Practices

A. Fund Accounting

The accounts of the University are maintained in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives. For financial reporting purposes, accounts with similar characteristics or objectives have been combined to establish the various Funds.

B. Accounting Basis

The University accounts are maintained to provide a matching of Revenues and Other Additions and Expenditures and Other Deductions to the fiscal year in which the items were budgeted. As a consequence of this policy, the following modifications to the accrual basis of accounting have been adopted by the University:

a) Regular session student fees and ancillary enterprises income which pertain to a period after the University's fiscal year-end are not treated as deferred income but are recorded as revenues of that fiscal year.

b) The costs of sabbatical leaves are accounted for in the fiscal year in which the expenditures are made; other payroll costs have not been accrued from the last pay period in the fiscal year to March 31.

c) Consumable supplies are charged to operations in the fiscal year they are acquired. Except for the bookstore, the costs of the unused supplies as at March 31 are not included in inventory for financial statement presentation purposes.

C. Property, Plant and Equipment

Land and buildings are purchased with capital funds and charged to the general fund - capital purpose.

Land - is recorded as per the Municipal Tax Assessment values as of December 31, 1990.

Buildings - are shown at the values established by an appraisal report completed as of July 1984 by Sunalta Appraisals Ltd. with all subsequent additions recorded at cost.

Furnishings and equipment including library books are purchased with operating funds and charged to the general fund - operating. These are shown at the values established by an appraisal report completed

C. Property, Plant and Equipment - continued

as of July 1984 by Sunalta Appraisals Ltd. with all subsequent additions recorded at cost.

Increases or decreases to the fixed assets are reflected as an adjustment to Investments in Fixed Assets.

Depreciation is not provided for on the fixed assets.

D. Mortgage Principal Repayment

Repayments of mortgage principal are charged to a Special Purpose Fund.

E. Operations

Ancillary Enterprises provides goods and services not directly associated with the University's primary education objective. These activities are expected to operate on a cost recovery basis, except for payments of principal and interest on long-term debt, which are funded from other sources. Ancillary Enterprises is assessed all significant overhead costs associated with its operations.

F. Research and Special Purpose Fund Account

Certain funds are received by the University for specific purposes. In the fiscal year that the funds are received, they are shown as income on the Statement of Income and Expenditures.

G. Capital Purpose Fund Account

Funds received by the University for Capital purposes are reported in the Fund Balances section of the Balance Sheet, until such time as they are applied to the expenditures for which they were received.

The balance of $152,357 in the Capital Purposes Fund Account represents contributions received in excess of costs as of March 31, 1991 in respect of the new Steam Plant and Library addition.

2. Brandon Centennial Auditorium Corporation Inc.

Under an arrangement between the University, the Government of the Province of Manitoba and the City of Brandon, the University built an Auditorium on its property for the benefit of citizens of Western Manitoba. The expenditures for the building and furnishings were financed from contributions by the Governments of Canada and Manitoba, the City of Brandon and citizens through campaigns.

2. **Brandon Centennial Auditorium Corporation Inc.** - continued

The Auditorium has been leased to the Brandon Centennial Auditorium Corporation Inc. under a 99 year lease for a nominal consideration of $1, with the University being required to supply certain services to the Auditorium for which it is reimbursed.

3. **Knowles-Douglas Student Union Centre**

The Knowles-Douglas Student Union Centre has been leased to the Knowles-Douglas Student Union Centre Inc. under a 50 year lease for the nominal consideration of $1 per year, with the University being required to supply certain services.

4. **Bookstore**

An agreement between the University and the Brandon University Students' Union Inc. provides for the equal sharing of profits of the University's bookstore operations. Profits payable to the Students' Union amounted to $30,722 for the year ended March 31, 1991 (1990 - $30,851).

5. **Pension Plans**

Brandon University contributes to a trustee-administered pension plan for its employees. Both the University and the employees contribute to the pension plan on the basis of the employees' regular salary.

The actuarial valuation was completed as at January 1, 1990 to determine the plan's position and established a plan surplus of $1,914,000. The next actuarial valuation is required as at January 1, 1993.

There are also special pension contracts subject to conditions being fulfilled. The University amortizes the costs thereof by an annual charge to operations.

The accounts of the Brandon University Retirement Plan do not form part of the University's financial statements. The Plan's financial statements are audited and reported on by the Provincial Auditor.

6. **Early Retirement**

The University had entered into individual agreements with employees on the basis of an Early Retirement Plan approved by the University Board of Governors. Eligible employees could elect, until August 1988, to participate in the Plan.

6. Early Retirement - continued

Under the Plan, the University provided financial incentives to eligible employees electing early retirement. The payments associated with these incentives occurred during the early years of the early retirement, primarily the first year. The University has offset most of these costs through either not replacing, or replacing at a lower salary, the retired employees.

7. Accounts Receivable

	1991	1990
Student receivables	$392,447	$178,161
Other receivables	516,253	365,465
	908,700	543,626
Allowance for doubtful accounts	144,059	131,838
	$764,641	$411,788

8. Computer Services

The Universities Grants Commission paid $233,210 (1990 - $228,736) to the University of Manitoba to provide computer services to Brandon University. This amount is not reflected in the accounts of Brandon University.

9. Investment in Subsidiary Company

Brandon University Holding Company Limited was incorporated as a wholly-owned subsidiary of Brandon University in 1985. The Holding Company was established for the purpose of holding shares in subsidiary companies. The subsidiary company, WESTARC Group Inc., was set up to achieve a dissemination of expertise from the University to the public and private sectors.

WESTARC Group Inc., a wholly-owned subsidiary of Brandon University Holding Company Limited, was incorporated in 1985.

The University accounts for its investment in accordance with a modification of the equity method. Under this method, contributions to the subsidiary company, and its earnings, are added to the investment in the subsidiary. Dividends from the subsidiary are subtracted from the investment in subsidiary and are recorded and reflected in the Statement of General Fund Revenues and Other Additions and Expenditures and Other Deductions. During the year ended March 31, 1991, $19,000 of such dividends were recorded.

The investment and related equity account are summarized as follows:

	1991	1990
Investment in Subsidiary Company	$	$
Share Capital	1	1
Brandon University Holding Company Limited Retained Earnings	295,655	234,068
Current balance of Investment in Subsidiary Company	$295,656	$234,069
Equity Account	$295,656	$234,069

10. Appropriated Specific Provisions

The University created a specific provision account to guarantee future replacement of fixed assets that are central to the operations of the University.

11. Grants in Lieu of Taxes

Grants in lieu of taxes of $ 1,311,071 and $1,212,732 for the fiscal years ending March 31, 1991 and 1990 respectively, were paid on behalf of the University by the Department of Municipal Affairs. These figures are not reflected in the accounts.

12. Loan Receivable

The University issued a loan of $750,000 to the Knowles-Douglas Student Union Centre Inc. on January 1, 1989 to cover the remaining debt on the building. The terms are 20 years with annual payments of $100,000 due January 1st of each and every year with the option of making additional payments. The rate of interest is 12% for the first 5 years, at which time it will be renegotiated.

13. Fixed Assets - Land

Land is recorded by Brandon University at amounts based on the municipal tax assessment values established by the City of Brandon. During its 1990 fiscal year, the City of Brandon changed its assessment base. Previously, the tax assessment value was based on 15% of the 1983 estimated fair market value of land. For 1990, the tax assessment value was based on 100% of the 1985 estimated fair market value for land. As a result of this change in assessment practice by the City of Brandon, the value of land, as recorded by Brandon University, was increase by $4,721,150.

14. Brandon University Trust and Endowment Funds

In order to consolidate fundraising activities and the administration of trust and endowment funds, the Brandon University, Brandon University Foundation and Brandon University Alumni Association entered into an agreement in October 1989. As part of this consolidation, the total assets of the Brandon University Trust and Endowment Funds ($3,949,020) were transferred to the Brandon University Foundation on January 1, 1990.

The parties to the agreement recognize and agree that the University has exclusive and ultimate control over the assets transferred and for the eventual disposition of all funds collected on its behalf in the future. Consequently, the trust and endowment funds held by the Brandon University Foundation of $5,237,639 as at December 31, 1990 have been included with the assets of the University. The transactions from December 31, 1990 to March 31, 1991 which would have increased the fund balance by approximately $75,451 have not been included in these accounts. The amount of pledges outstanding at March 31, 1991 was $2,329,343.

15. Restatement of Accounts

Comparative figures for the year ended March 31, 1990 have been restated where necessary to conform with the presentation adopted for the year ended March 31, 1991.

SCHEDULES

Schedule 1: Fixed Assets

	Total March 31 1991	Total March 31 1990
Buildings:		
Arts and Library building	$ 1,747,293	$ 1,747,293
Centennial Auditorium (note 2)	3,239,501	3,239,501
Darrach Hall and Dining Hall	2,533,601	2,533,601
Drama building	227,650	227,650
Education building	2,158,027	2,158,027
Flora Cowan Hall	1,437,063	1,437,063
Gymnasium	838,147	838,147
Jeff Umphrey Centre	528,842	528,842
J.R. Brodie Science Centre	6,848,116	6,824,398
Kinsmen Stadium	27,036	27,036
Knowles-Douglas Student Union Centre (note 3)	1,808,665	1,808,665
McMaster Hall	3,561,160	3,548,511
Original building and Clark Hall	1,571,525	1,562,651
President's residence	160,828	134,095
Queen Elizabeth II Music building	6,446,452	6,449,172
Steam Plant	1,458,836	994,030
Steam Plant garage	13,226	
Student Services building	838,627	814,967
Temporary buildings	185,576	179,157
Utility services	386,508	386,508
	36,016,679	35,439,314
Land and site development:		
Land (note 13)	5,282,000	560,850
Site development	189,280	189,280
	5,471,280	750,130
Land and buildings	41,487,959	36,189,444
Furnishings and equipment	19,372,310	18,382,582
Zone properties	309,520	308,772
Construction in progress	56,000	1,004,794
Fixed Assets, Statement A	$61,225,789	$55,885,592

Schedule 2: Operating Fund Revenues and Other Additions

	Total March 31 1991	Total March 31 1990
Tuition Fees:		
Regular session	$ 2,936,338	$ 2,286,385
Evening session - credit	157,665	164,434
Evening session - non-credit	310,894	264,833
Spring session	105,861	79,692
Summer session	85,841	71,059
Music Conservatory	260,501	246,225
Other	133,507	121,019
	3,990,607	3,233,647
Grants:		
Universities Grants Commission:		
Operating	13,652,857	13,028,400
Renovations & equipment	315,738	370,000
	13,968,595	13,398,400
City of Brandon	140,000	180,000
Other:		
Donations	16,159	46,689
Ancillary Enterprises (Schedule 5)	4,061,023	3,215,298
Miscellaneous:		
Rentals	15,750	15,000
Sundry	124,275	112,449
Interest income	300,481	224,374
	440,506	351,823
Total Revenues and Other Additions, Statement B	$22,616,890	$20,425,857

Schedule 3: Operating Fund Expenditures and Other Deductions by Account and by Funding

	Salaries Academic	Salaries Support	Benefits	Health Education Tax
Academic General:				
Faculty of Arts	$2,312,410	$ 153,657	$205,855	$ 54,941
Faculty of Science	2,846,119	266,947	272,837	70,224
Faculty of Education	1,475,956	222,988	136,480	37,897
School of Music	1,079,046	104,871	90,948	26,202
Extension Department	389,592	33,422	24,806	9,528
Media Centre		57,116	5,823	1,280
Senate		5,885	74	131
Music Conservatory	211,193	12,795	9,535	5,197
Non-Credit Programs				
	8,314,316	857,681	746,358	205,400
Library:		825,792	74,679	18,330
Books and periodicals				
		825,792	74,679	18,330
Student Services:		679,008	65,203	14,130
Athletic programs		207,136	13,997	4,448
		886,144	79,200	18,578
Administration:				
Board of Governors		6,841	665	154
President		248,724	17,149	4,567
Vice-President:				
Administration & Finance		86,756	7,757	1,962
Academic & Research		76,483	5,320	1,737
		418,804	30,891	8,420
Carried Forward	$8,314,316	$2,988,421	$931,128	$250,728

ANNUAL FINANCIAL REPORT

Travel	Supplies and Other Expenses	Renovations & Equipment	Deduct: Recoveries	Total March 31 1991	Total March 31 1990
$110,316	$ 109,111	$ 27,646	$ 27,456	$ 2,946,480	$ 2,656,714
107,015	235,403	229,686	46,127	3,982,104	3,643,317
58,251	71,622	26,102	70,038	1,959,258	1,809,142
44,363	97,873	20,795	27,118	1,436,980	1,315,098
11,912	49,475	1,573	6,082	514,226	511,902
124	7,325	3,880	6,321	69,227	64,529
1,942	24,358		1,785	30,605	26,841
1,469	16,063		8,043	248,209	235,113
	278,637			278,637	198,136
335,392	889,867	309,682	192,970	11,465,726	10,460,792
14,865	70,949	17,925	39,999	982,541	889,096
	315,533		70,873	244,660	238,900
14,865	386,482	17,925	110,872	1,227,201	1,127,996
28,888	48,164	33,367	2,463	866,297	772,428
22,658	280,950	3,957	211,185	321,961	349,406
51,546	329,114	37,324	213,648	1,188,258	1,121,834
12,365	39,001		2,400	56,626	33,265
17,024	27,416	30,440	800	344,520	288,525
3,916	6,726			107,117	100,307
8,837	5,796	659	5,053	93,779	79,559
42,142	78,939	31,099	8,253	602,042	501,656
$443,945	$ 1,684,402	$ 396,030	$ 525,743	$14,483,227	$13,212,278

Schedule 3: Operating Fund Expenditures and Other Deductions by Account and by Funding

	Salaries Academic	Salaries Support	Benefits	Health & Education Tax
Brought Forward	$8,314,316	$2,988,421	$931,128	$250,728
General Support:				
Alumni Relations		53,129	5,348	1,195
Bad debt expense				
Comptroller		419,503	39,962	9,443
Computer Services		277,867	26,224	6,253
Convocation		2,834	314	138
Fundraising		55,035	4,638	1,242
Institutional membership fees				
Legal and audit				
Mail Room and Supply Office		58,370	5,032	1,140
Personnel Services		97,007	9,256	2,217
Planning		43,300	5,228	979
Print Shop		52,595	5,386	1,181
Public Communications		47,808	4,485	1,069
Purchasing		34,126	3,250	770
Registrar		215,574	19,107	4,841
Telephone Services		27,276	2,172	616
		1,384,424	130,402	31,084
Plant and Maintenance:				
Buildings & grounds		931,588	154,806	20,356
Steam Plant		148,809	10,554	3,145
Insurance				
Security				
Service Contracts				
Taxes				
Utilities				
		1,080,397	165,360	23,501
Ancillary Enterprises: (Schedule 5)		1,149,961	92,882	21,482
Total Expenditures and Other Deductions, Statement B	$8,314,316	$6,603,203	$1,319,772	$326,795

Travel	Supplies & Other Expenses	Renovations & Equipment	Deduct: Recoveries	Total March 31 1991	Total March 31 1990
$443,945	$ 1,684,402	$ 396,030	$ 525,743	$14,483,227	$13,212,278
1,831	34,460		32,534	63,429	60,651
	24,000			24,000	25,034
9,654	45,254	10,057	2,895	530,978	478,492
4,415	143,048	51,639	27,498	481,948	462,078
524	22,295		343	25,762	26,976
				60,915	56,553
	14,976			14,976	14,106
	49,180			49,180	48,279
	147,921		138,245	74,218	59,027
1,846	21,184	4,998	73	136,435	105,337
1,377	3,493	390		54,767	49,955
533	71,816	48,548	162,116	17,943	17,556
1,324	16,591		484	70,793	70,655
1,358	2,804			42,308	38,546
330	52,537	5,938	5,322	293,005	279,641
	37,051		1,770	65,345	80,671
23,192	686,610	121,570	371,280	2,006,002	1,873,557
2,622	323,154	90,115	209,197	1,313,444	1,253,372
	12,386			174,894	213,738
	44,571			44,571	42,077
	31,125			31,125	26,277
	19,378			19,378	15,631
	7,748			7,748	7,655
	625,198		303,927	321,271	323,271
2,622	1,063,560	90,115	513,124	1,912,431	1,882,021
12,450	2,187,106	434,317		3,898,198	3,161,248
$482,209	$ 5,621,678	$ 1,042,032	$ 1,410,147	$22,299,858	$20,129,104

Schedule 4: Research and Special Purpose Fund Expenditures and Other Deductions

	Salaries Academic	Salaries Support	Benefits	Health & Education Tax
Research	$	$ 134,926	$ 5,406	$ 2,723
Special Purpose		793,125	41,669	14,119
Special Programs				
BUNTEP	973,761	202,565	96,771	25,540
PENT	226,809	63,665	27,878	6,536
Scholarships and bursaries				
Ancillary Enterprises				
Mortgage payment				
Total Expenditures and Other Deductions, Statement E	$1,200,570	$1,194,281	$ 171,724	$ 48,918

ANNUAL FINANCIAL REPORT

Travel	Supplies & Other Expenses	Renovations & Equipment	Deduct: Recoveries	Total March 31 1991	Total March 31 1990
$109,217	$ 202,759	$ 71,211	$ 2,864	$ 523,378	$ 339,121
285,263	481,565	32,168		1,647,909	1,644,334
217,821	1,358,537	1,946	43,505	2,833,436	3,092,325
32,726	60,520	3,134		421,268	370,574
					153,326
	216,587			216,587	216,587
$645,027	$ 2,319,968	$ 108,459	$ 46,369	$ 5,642,578	$ 5,816,267

Schedule 5: Comparative Schedule of Revenues and Expenditures for Ancillary Enterprises for the years ended March 31, 1991 and March 31, 1990

	Bookstore	Food Services
Revenues:		
Room and board fees	$	$ 959,001
Conventions		67,462
Canteen and vending machines		354,563
Internal functions		53,464
Other	173,720	14,722
Book sales	999,145	
Grant from Manitoba Universities Grants Commission	4,501	28,665
Total Revenues, Schedule 2	1,177,366	1,477,877
Expenditures and Other Deductions:		
Salaries	115,753	609,524
Staff benefits	13,563	62,399
Cost of goods sold	885,968	498,438
Management fees		56,805
Supplies and other expenses	53,534	135,708
Rent	33,725	
Utilities		57,337
Students' Union share of Bookstore profit	30,722	
Equipment, alterations and other	1,650	23,756
Land purchase		
Mortgage Payments		
Total Expenditures, Schedule 3	1,134,915	1,443,967
Net Revenues (Expenditures) for the year before Specific Provision	42,451	33,910
Appropriated Specific Provision (note 10)	(11,729)	(7,354)
Net Revenues (Expenditures)	$ 30,722	$ 26,556

Parking	Residence	1991	1990
$	$ 809,852	$ 1,768,853	$ 1,561,898
	54,643	122,105	143,830
	6,606	361,169	326,359
		53,464	48,137
66,617	56,228	311,287	266,789
		999,145	823,285
	411,834	445,000	45,000
66,617	1,339,163	4,061,023	3,215,298
64,499	360,185	1,149,961	1,028,742
3,557	34,845	114,364	92,774
		1,384,406	1,232,269
		56,805	73,240
8,028	200,835	398,105	376,859
		33,725	33,725
3,873	198,510	259,720	252,913
		30,722	30,851
1,250	407,661	434,317	35,758
31,688		31,688	
4,385		4,385	4,117
117,280	1,202,036	3,898,198	3,161,248
(50,663)	137,127	162,825	54,050
	(25,035)	(44,118)	
$ (50,663)	$ 112,092	$ 118,707	$ 54,050

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of Brandon University Holding Company Limited as at March 31, 1991 and the statement of income and retained earnings for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 14, 1991

BRANDON UNIVERSITY HOLDING COMPANY LIMITED

Balance Sheet
As at 31 March 1991

	1991	1990
ASSETS		
Current		
Investment in WESTARC Group Inc., note 2(b)	$ 295,352	$ 234,208
Due from (to) Brandon University	305	(138)
	$ 295,657	$ 234,070
LIABILITIES & SHAREHOLDER'S EQUITY		
Current		
Due to WESTARC Group Inc.	$ 1	$ 1
Share Capital, note 3	1	1
Accumulated Surplus	295,655	234,068
	295,656	234,069
	$ 295,657	$ 234,070

BRANDON UNIVERSITY HOLDING COMPANY LIMITED

Statement of Income and Retained Earnings
For the Year Ended 31 March 1991

	1991	1990
REVENUES		
Investments	$ 81,144	$ 81,055
EXPENSES		
Legal and audit fees	557	844
NET INCOME FOR THE YEAR	80,587	80,211
Plus Accumulated Surplus, Beginning of Year	234,068	157,607
	314,655	237,818
Less Dividends Paid	19,000	3,750
Accumulated Surplus, End of Year	$ 295,655	$ 234,068

BRANDON UNIVERSITY HOLDING COMPANY LIMITED

Notes to Financial Statements
For the Year Ended 31 March 1991

1. STATUS AND NATURE OF THE CORPORATION AND SUBSIDIARY

Brandon University Holding Company Limited was incorporated as a wholly-owned subsidiary of Brandon University in 1985. The Holding Company was established for the purpose of holding shares in subsidiary companies. A subsidiary company, VESTARC Group Inc., was incorporated in 1985 to disseminate expertise from the University to the public and private sectors.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Holding Company:

(a) These financial statements are not consolidated with those of the subsidiary company. The investment in the subsidiary company is accounted for by the equity method. In all other respects, these non-consolidated financial statements are prepared on the accrual basis.

(b) Investment in the subsidiary company is accounted for by the equity method. That is, the net income of the subsidiary company attributable to the Holding Company is reflected in the Holding Company's financial statements.

3. SHARE CAPITAL

Authorized
Unlimited Number of One Class Common Shares

	1991	1990
Issued		
One Common Share	$1	$1

BRANDON UNIVERSITY HOLDING COMPANY LIMITED

Notes to Financial Statements
For the Year Ended 31 March 1991

4. WHOLLY-OWNED SUBSIDIARIES

Brandon University Holding Company Limited wholly-owns WESTARC Group Inc. Following is a brief summary of the transactions of WESTARC Group Inc.:

	1991	1990
Revenue	$ 664,411	$ 538,361
Expenses	583,267	457,306
Net Income	$ 81,144	$ 81,055

5. GENERAL COMMENTS

Brandon University provides the Holding Company with various administrative services at no cost.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Pension Trustees of Brandon University Retirement Plan

To the Legislative Assembly of Manitoba

We have audited the statement of net assets available for pension benefits of the Brandon University Retirement Plan as at December 31, 1990 and the statements of changes in net assets available for pension benefits and investment income for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
March 13, 1991

Exhibit 1

BRANDON UNIVERSITY RETIREMENT PLAN

Statement of Net Assets Available for Pension Benefits
as at December 31, 1990
(with 1989 figures for comparison)

	1990	1989
ASSETS		
Accounts Receivable	$ 147,951	$ 143,259
Accrued Income Receivable	416,016	-
Held by The Canada Trust Company, (note 1 (b))		
Cash	83,414	43,434
Investments, (note 2 (b))	23,484,832	21,396,605
	23,568,246	21,440,039
Held by The Great-West Life Assurance Company		
Deposit Fund	-	31,121
Money Market Fund	-	3,858,443
Transaction Account	-	(31,387)
	-	3,858,177
Total Assets	24,132,213	25,441,475
LIABILITIES		
Accounts Payable	30,606	39,579
NET ASSETS AVAILABLE FOR PENSION BENEFITS	$24,101,607	$25,401,896

The accompanying notes are an integral part of the financial statements.

Exhibit 2

BRANDON UNIVERSITY RETIREMENT PLAN

Statement of Changes in Net Assets Available for Pension Benefits for the year ended December 31, 1990 (with 1989 figures for comparison)

	1990	1989
INCREASE IN ASSETS		
Contributions:		
Members, Regular	$ 809,102	$ 763,284
Members, Voluntary	800	911
University, Regular	666,818	624,778
	1,476,720	1,388,973
Experience Refund, Prior Plan	23,500	24,135
Investment Income, Exhibit 3	188,806	3,467,788
Total Increase in Assets	1,689,026	4,880,896
DECREASE IN ASSETS		
Benefits:		
Retirements	105,545	297,935
Refunds	224,444	212,641
Deaths	21,276	24,382
	351,265	534,958
Special Payments, (notes 1 (c)(iii), 1 (d))	2,479,476	308,687
Administrative Expenses:		
Actuarial and Consulting Fees	17,552	25,993
Audit Fees	5,649	5,657
Custodian and Plan Administration Fees	45,368	23,298
Investment Management Fees	86,875	85,021
Investment Performance Measurement Fees	-	5,700
Trustee Expenses	3,130	2,621
	158,574	148,290
Total Decrease in Assets	2,989,315	991,935
INCREASE (DECREASE) IN NET ASSETS	(1,300,289)	3,888,961
NET ASSETS AVAILABLE FOR PENSION BENEFITS AT BEGINNING OF YEAR	25,401,896	21,512,935
NET ASSETS AVAILABLE FOR PENSION BENEFITS AT END OF YEAR	$ 24,101,607	$25,401,896

The accompanying notes are an integral part of the financial statements.

Exhibit 3

BRANDON UNIVERSITY RETIREMENT PLAN

Statement of Investment Income
for the year ended December 31, 1990
(with 1989 figures for comparison)

	Interest and Dividends	Realized Gains (Losses)	Adjustments to Market Values	Total 1990	Total 1989
Investment Income, (note 2 (b))					
Canada Trust Company:					
Cash and Short Term Notes	$ 588,827	$ 108	$	$ 588,935	$ 39
Bonds and Debentures	998,758	(302,600)	20,171	716,329	
Canadian Equities	235,406	(113,012)	(1,176,208)	(1,053,814)	
Foreign Equities	60,342	(18,543)	(113,516)	(71,717)	
	$1,883,333	$ (434,047)	$(1,269,553)	$ 179,733	$ 39
Great-West Life Assurance Company:					
Deposit Fund					$ 2,919
Mortgage Fund					322,604
Canadian Equity					275,306
Bond Fund					972,536
Canadian Equity Index Fund					931,111
Real Estate Fund					307,522
Money Market Fund	15,851			15,851	216,150
U.S. Equity Fund					462,318
Transaction Account	(6,778)			(6,778)	(22,717)
	9,073			9,073	3,467,749
Investment Income, Exhibit 2	$1,892,406	$ (434,047)	$(1,269,553)	$ 188,806	$3,467,788

The accompanying notes are an integral part of the financial statements.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements
December 31, 1990

1. DESCRIPTION OF THE PLAN

(a) The Brandon University Retirement Plan is a Trusteed Plan established April 1, 1974. The assets of the Plan are held in the name of the Trustees of Brandon University. There are nine trustees and an Investment Committee of three members.

(b) The assets of the Plan are held by The Canada Trust Company. The assets are invested according to an agreement with Asset Management International Incorporated, formerly Toronto Investment Management, in accordance with the investment guidelines as set forth by the Investment Committee and as required by law. As at December 31, 1990, the assets were invested as follows:

Cash and short-term securities	13.8%
Bonds and debentures	43.8%
Canadian equities	33.2%
Foreign equities	9.2%
	100.0%

(c) In December, 1989, the Trustees terminated an agreement with The Great-West Life Assurance Company to adminster the Plan. To complete the termination of the agreement, the Plan made final payments to that company in the total amount of:

i) $17,596 for investment and Plan administration services.

ii) $1,100 for expenses associated with the wind-up of the agreement.

iii) $2,287,948 to purchase annuities effective January 1, 1990 in respect of Plan members whose pension benefits were being paid by the Plan as at April 30, 1989.

(d) In 1990, the Plan made special payments in the amount of $191,528 to The Great-West Life Assurance Company to purchase annuities effective July 1, 1990 for the improvement of pension benefits being paid to the members of prior plans.

(e) The financial statements do not take into account actuarial valuations and, therefore, do not reflect the financial position of the Plan on an actuarial valuation basis. An actuarial valuation performed by the Plan's actuary, Eckler Partners Ltd., to determine the Plan's position, as required by The Pension Benefits Act of Manitoba, was completed as at January 1, 1990. This valuation established a Plan surplus of $1,914,000 as at that date. The next actuarial valuation is required as at January 1, 1993.

2. ACCOUNTING POLICIES

(a) The Brandon University Retirement Plan follows the accrual basis of accounting, but the Plan does not amortize premiums or discounts on the purchase of short-term notes, bonds and debentures.

(b) Investments are stated at market value as at each fiscal year end. The increase or decrease in value of the investments is reflected in the income for the fiscal year.

3. GENERAL COMMENTS

(a) Brandon University provides the services of support staff and other miscellaneous administrative services at no charge to the Plan. The cost of these services is not reflected in the Financial Statements.

(b) Comparative figures for the year ended December 31, 1989 have been restated where necessary to conform with the presentation adopted for the year ended December 31, 1990.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of Channel Area Loggers Ltd. as at March 31, 1991 and the statement of revenues and expenditures for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H Jackson

Winnipeg, Manitoba
October 25, 1991

F.H. Jackson, CA
Provincial Auditor

CHANNEL AREA LOGGERS LTD.

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

ASSETS	1991	1990
CURRENT ASSETS:		
Accounts receivable (Note 4)	$ 159,388	$ 225,628
Subsidy receivable from the Government of the Province of Manitoba	546,232	156,535
Loan receivable (Note 5)	500	6,133
Inventories, at net realizable value	22,413	72,000
Prepaid expenses	-	319
Total current assets	728,533	460,615
FIXED ASSETS (Note 7)	66,242	264,997
TOTAL	$ 794,775	$ 725,612
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Excess of outstanding cheques over bank balance	$ 55,811	$ 129,904
Bank demand loan (Note 8)	325,000	115,000
Accounts payable (Note 9)	60,319	180,618
Provision for loss on wind-up of company (Note 3)	53,555	-
Total current liabilities	494,685	425,522
SHAREHOLDERS' EQUITY		
Capital stock (Note 10):		
Authorized: 35,000 common shares, maximum consideration not to exceed $350,000		
Issued: 30,009 shares	300,090	300,090
TOTAL	$ 794,775	$ 725,612

The notes are an integral part of the financial statements.

Approved by the Board:

CHANNEL AREA LOGGERS LTD.

Statement of Revenues and Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
REVENUES:		
Pulpwood sales	$ 727,141	$ 1,322,891
Commissary sales	106,319	171,605
Board charges	17,028	41,347
Miscellaneous	57,003	39,463
Reforestation	126,386	28,330
Gain on disposal of fixed assets	-	5,833
Total revenues	1,033,877	1,609,469
EXPENDITURES:		
Direct logging costs (Schedule 1)	822,906	1,378,549
General and administrative expenses (Schedule 2)	278,892	262,215
Commissary	73,065	123,298
Reforestation	95,338	24,430
Total expenditures	1,270,201	1,788,492
Deficiency of revenues over expenditures before extraordinary item	(236,324)	(179,023)
EXTRAORDINARY ITEM (Note 3)	(309,908)	-
Deficiency of revenues over expenditures before operating assistance from the Government of the Province of Manitoba	(546,232)	(179,023)
Operating assistance from the Government of the Province of Manitoba	546,232	179,023
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -

The notes are an integral part of the financial statements.

1. Nature of Operations

Channel Area Loggers Ltd. was established in 1973 under The Manitoba Natural Resources Development Act for the purpose of establishing an economically viable logging operation creating employment and training opportunities for residents of Berens River and surrounding communities. Effective March 31, 1991, the Company ceased operations and dissolution proceedings commenced.

2. Significant Accounting Policies

a) The accompanying financial statements have been prepared in accordance with generally accepted accounting principles except for administrative expenses which are provided at no charge by the Government of the Province of Manitoba. These amounts (note 11) are not reflected in the financial statements.

b) Pulpwood sales are recognized as revenue at the point of delivery to the landing and are based on quantities scaled in accordance with the terms of the sales contract.

c) Depreciation of fixed assets is provided on a straight line basis at rates to amortize the cost over the estimated useful life of each asset. The annual depreciation rates are 10% for buildings and trailers and 10 to 25% for machinery and equipment. Because the Company ceased operations effective March 31, 1991, fixed assets have been written down to their estimated net realizable value, as per note 3.

3. Extraordinary Item

Certain of the assets of the Company have been written down, and a provision has been made for certain receivables and for the costs of winding up the operations, as follows:

Buildings and trailers	$ 13,410
Machinery and equipment	20,103
Road construction	181,329
Inventories	24,169
Accounts receivable	11,986
Loan receivable	5,356
Estimated costs of windup	53,555
	$ 309,908

4. Accounts receivable

	Amount Receivable	Provision for Uncollectible Amounts	Net 1991	Net 1990
Trade	$ 159,888	$ 2,000	$ 157,888	$ 204,035
Govt. of Manitoba	-	-	-	7
Contractors	11,486	9,986	1,500	21,586
	$ 171,374	$ 11,986	$ 159,388	$ 225,628

5. Loan receivable

The loan receivable represents the net amount receivable ($5,856 less provision for uncollectible amount of $5,356) of $500 (1990 - $6,133) from a sub-contractor for the purchase of equipment.

6. Inventories

The major categories of inventory are:

	1991	1990
Commissary supplies	$ 1,473	$ 2,764
Parts and supplies	4,698	15,983
Gasoline, diesel fuel and oil	16,166	45,503
Kitchen supplies	76	7,750
	$ 22,413	$ 72,000

7. Fixed Assets

	Buildings and Trailers	Machinery and Equipment	Road Construction	Total
Cost	$ 319,608	$ 460,543	$ 181,329	$ 961,480
Funding by the Govt. of Canada and the Govt. of the Province of Man.	(67,298)	(160,090)	-	(227,388)
Net Cost	252,310	300,453	181,329	734,092
Accumulated depreciation	(215,780)	(237,228)	-	(453,008)
Amount of write-down to net realizable value	(13,410)	(20,103)	(181,329)	(214,842)
Net book value - 1991	$ 23,120	$ 43,122	$ -	$ 66,242
Net book value - 1990	$ 49,738	$ 93,293	$ 121,966	$ 264,997

8. Bank Demand Loan

The bank demand loan is guaranteed by the Government of the Province of Manitoba to a maximum of $500,000 including unpaid interest.

9. Accounts Payable

The major categories of accounts payable are:

	1991	1990
Trade	$ 58,242	$ 137,886
Wage deductions	770	35,387
Employee	130	4,800
Government of the Province of Manitoba	1,177	2,545
	$ 60,319	$ 180,618

10. Capital Stock

The issued shares are held by the Government of the Province of Manitoba except for nine shares which are held by the appointed directors in trust for Her Majesty the Queen in right of the Province of Manitoba. Subsequent to March 31, 1991, the nine shares previously held in trust by the outgoing directors were transferred to the single director, an employee of the Department of Northern Affairs, responsible for the dissolution of the Company.

11. Services Provided by the Government of the Province of Manitoba

The Government of the Province of Manitoba provides the services of the Secretary-Treasurer and other miscellaneous administrative services at no charge to the Company. The cost of these services is approximately $42,000 (1990 - $43,300).

12. Economic Dependence

The Company is economically dependent on the Government of the Province of Manitoba.

13. Imputed Interest Cost Information

The annual borrowing cost to the Government in respect of its 1990 debt for the average investment of $300,000 in share capital at the weighted average rate of 10.6% (1989 - 10.05%) is $31,800 (1989 -$30,200). This cost is not reflected in these financial statements.

SCHEDULE 1

CHANNEL AREA LOGGERS LTD.

Schedule of Direct Logging Costs
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Contract wood purchases	$ 273,891	$ 511,680
Contract hauling to landing	140,038	233,246
Cutters wages and fringe benefits	131,877	185,737
Road construction and maintenance, net	92,487	125,396
Small wood cullage	6,080	111,731
Kitchen and dormitory	57,342	66,060
Timber dues	23,890	44,797
Depreciation	32,513	32,798
Repairs and maintenance	30,536	29,820
Personnel transport	12,788	15,068
Freight and fuel movement	7,863	11,268
Supervision	10,092	7,382
Forwarding to roadside	3,486	3,259
Sundry	23	307
TOTAL	$ 822,906	$ 1,378,549

CHANNEL AREA LOGGERS LTD.

Schedule of General and Administrative Expenses for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Salaries, wages and fringe benefits	$ 113,040	$ 126,268
Legal, audit and accounting	34,008	33,239
Depreciation	21,896	28,581
Insurance	23,306	17,966
Interest and service charges	39,563	17,355
Taxes, licences and fees	8,285	11,024
Travel and accommodation	13,095	8,008
Communications	5,791	6,157
Mobile home	6,144	4,724
Office supplies and utilities	3,845	4,087
Directors' fees	4,850	3,600
Miscellaneous	1,031	1,346
Bad debts	4,038	(140)
TOTAL	$ 278,892	$ 262,215

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Civil Service Superannuation Fund as at December 31, 1990 and the statements of changes in the reserve for present and future benefits, changes in the provision for investment losses, changes in the superannuation indexing adjustment account and changes in the money purchase accounts plan for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2.

Fred H. Jackson
F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
March 13, 1991

Exhibit A

THE CIVIL SERVICE SUPERANNUATION FUND
Balance Sheet
as at December 31, 1990

	1990	1989
	(Thousands of Dollars)	
ASSETS		
Cash	$ 374	$ 620
Employees' and employers' contributions receivable	367	821
Investments, Schedule 1, Note 2(b)	1,035,498	926,731
Accrued investment income	13,534	14,294
Debt due from the Province of Manitoba, Note 2(c)	1,826	1,826
Accumulated unrealized foreign exchange, Note 5	1,381	1,457
Furniture, computer equipment and programs, Note 2(d)	405	427
	$ 1,053,385	$ 946,176
LIABILITIES		
Accounts payable	$ 297	$ 290
Transfer payable for Manitoba Data Services' Employees, Note 7	4,409	-
Money purchase accounts plan, Exhibit E, Note 4	1,937	1,205
Provision for Fund's employees' pension benefits, Note 2(g)	1,157	1,012
Provision for investment losses, Exhibit C, Note 2(b)(v)	1,985	940
Superannuation indexing adjustment account, Exhibit D, Note 2(e)	97,505	88,259
Reserve for present and future benefits, Exhibit B	946,095	854,470
	$ 1,053,385	$ 946,176

Exhibit B

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Changes in the Reserve for Present and Future Benefits for the year ended December 31, 1990

	1990	1989
	(Thousands of Dollars)	
Additions:		
Employers' and employees' contributions, Schedule 2	$ 94,998	$ 87,444
Investment income, net, Schedule 3	94,201	90,048
Interest on debt due from the Province of Manitoba, Note 2(c)	73	73
Bank and other interest	302	160
Total additions	189,574	177,725
Deductions:		
Superannuation and supplementary allowances	75,860	69,055
Refunds of contributions and interest	6,171	5,673
Payments of employee contributions to other pension plans	1,070	520
Transfer of pension liability for Manitoba Data Services' employees, Note 7	4,409	-
Administrative expenses, net, Schedule 4	1,193	1,233
	88,703	76,481
Net transfer to superannuation indexing adjustment account, Exhibit D	9,246	40,310
Total deductions	97,949	116,791
Net increase for the year	91,625	60,934
Balance at beginning of year previously reported	891,888	794,862
Adjustment for prior year's transfer to superannuation indexing adjustment account: Actuarial surplus, Note 2(e)(i)	(31,789)	-
Adjustment for interest allocation	(3,915)	-
Other adjustments	(702)	(450)
Adjustment for establishment of Fund's employees' pension benefits, Note 2(g)	(1,012)	(876)
Restated balance beginning of year	854,470	793,536
Balance at end of year, Exhibit A	$946,095	$854,470

Exhibit C

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Changes in the Provision for Investment Losses
for the year ended December 31, 1990

	1990	1989
	(Thousands of Dollars)	
Transfer from investment income, Schedule 3	$ 1,036	$ 927
Net recovery (write-down) of permanently impaired investments	9	(1,228)
Net increase (decrease) for the year	1,045	(301)
Balance at beginning of year	940	1,241
Balance at end of year, Exhibit A	$ 1,985	$ 940

Exhibit D

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Changes in the Superannuation Indexing Adjustment Account for the year ended December 31, 1990

	1990	1989
	(Thousands of Dollars)	
Additions:		
Allocation of 10.2% of employees' and matching employer's contributions	$ 5,582	$ 5,265
Interest	10,680	9,562
Transfer of Fund's surplus, Note 2(e)	-	31,789
Total additions	16,262	46,616
Deductions:		
Allocation for 50% of superannuation indexing adjustment payments	7,016	6,306
Total deductions	7,016	6,306
Net transfer from reserve for present and future benefits, Exhibit B	9,246	40,310
Balance at beginning of year previously reported	51,853	47,499
Adjustment for prior year's transfer from reserve for present and future benefits:		
Actuarial surplus, Note 2(e)(i)	31,789	-
Adjustment for interest allocation	3,915	-
Other adjustments	702	450
Restated Balance at beginning of year	88,259	47,949
Balance at end of year, Exhibit A	$ 97,505	$ 88,259

Exhibit E

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Changes In The Money Purchase Accounts Plan
for the year ended December 31, 1990

	1990 (Thousands of Dollars)	1989
Additions:		
Deposits	$ 841	$ 586
Interest income	201	103
	1,042	689
Deductions:		
Refund of deposits	267	118
Transfer to Civil Service Superannuation Fund re annuity, Schedule 2	35	13
Administration fees charged by Civil Service Superannuation Fund	8	4
	310	135
Increase for the year	732	554
Balance at beginning of year	1,205	651
Balance at end of year, Exhibit A, Note 4	$ 1,937	$ 1,205

THE CIVIL SERVICE SUPERANNUATION FUND
Notes to the Financial Statements
for the year ended December 31, 1990

1. Nature of the Organization:

The Civil Service Superannuation Board was established under The Civil Service Superannuation Act in May, 1939 and is responsible for administering the Act.

The Civil Service Superannuation Fund is the pension plan for employees of the Government of Manitoba and its agencies as listed in Schedule 2. Administering the Act involves collecting superannuation contributions, investing contributions and excess revenue, monitoring investments, paying refunds on termination, negotiating reciprocal agreements, paying pensions on retirement, counselling, and providing seminars, annual benefit statements, and brochures to members of the plan.

2. Significant Accounting Policies:

The significant accounting policies are summarized below:

(a) The Fund follows the accrual basis of accounting.

(b) The investment valuation and income measurement policies consist of:

(i) Fixed income investments:

Premiums and discounts of one percent or less of par value are reflected in investment income in the year of investment acquisition. All other premiums and discounts are amortized to income on a straight line basis over the term of the investment commencing with the year of acquisition.

Zero coupon bonds are recorded at cost at the date of purchase and subsequently valued at the end of each fiscal year based on the purchase yield and the remaining term to maturity. The difference in the value of the bond from the date of purchase or the previous year end to the current year end will be charged or credited to income in the current year.

The majority of the Fund's fixed income investment portfolio is held for the long term and a part of the portfolio is traded actively. For long term holdings, the gains or losses on disposition, before maturity, are amortized to income on a straight line basis over the remaining term of the investment to a maximum of 20 years. The unamortized balances remain as part of the book value of the total investments. For those which are traded actively, the accounting is segregated and one-fifth of the realized gains or losses is reflected in income in the year of disposition.

2. (b) (i) continued:

The remaining four-fifths is reflected in the value of investment assets and amortized to income in equal amounts over the next four years.

(ii) Investment in subsidiary:

The investment in the wholly-owned subsidiary Superannuation Resource Investment Corporation (S.R.I.C.) of Manitoba Inc. is accounted for on the equity method. The subsidiary is currently inactive. The Fund's Investment in S.R.I.C. is $1.00 at December 31, 1990.

(iii) Equity investments:

Equity investments are recorded at the lower of cost or net realizable value.

Petroleum and natural gas, and limited partnership investments have restrictions on their disposition.

One-fifth of the difference between the adjusted book value and the established market value of equity investments as at the end of the fiscal year is reflected in income and the offset reflected as an unrealized appraisal adjustment.

One-fifth of any realized gains or losses is reflected in income in the year of disposition. The remaining four-fifths is reflected in the value of the investment assets and amortized to income in equal amounts over the next four years. Realized gains or losses are adjusted by the amount of unrealized appraisal adjustments recorded in the investment income in previous years.

(iv) Real estate equity investments:

Income from real estate equity investments, evidenced by participating bonds, represents the Fund's proportionate share of the net cash flow generated by the underlying properties with no allowance having been made for depreciation. In the event the income from a property is insufficient to pay the cost of its operations, the Fund is liable to make additional payments, without limitation in amount, equal to its share of such a deficiency.

Pooled real estate investments are recorded at cost plus the proportionate share of earnings reported by the property manager.

2. (b) continued:

(v) Provision for investment losses:

Effective January 1, 1984, 1/10 of 1% of the book value of the investment assets is transferred annually to the provision for investment losses from investment income. The provision should not exceed 1% of the book value of investment assets.

Impairment in the value of investments, considered to be permanent by the Investment Committee, is charged to the provision for investment losses. Subsequent recoveries increase the provision.

(vi) Foreign currency translation:

Assets recorded in foreign currency are translated into Canadian currency at the prevailing year end rate of exchange, while revenues and related transaction charges recorded during the year are translated at the prevailing month end rate of exchange. Foreign exchange on the purchase and sale of foreign currency is translated at the prevailing rate on the date of the transaction.

The translation adjustments required for these transactions are recorded in the accumulated unrealized foreign exchange account. One-fifth of the accumulated unrealized foreign exchange account is reflected in income for the year.

(c) Debt due from the Province of Manitoba:

The Province of Manitoba assumed an accrued liability of $1,826,300 on account of its employees and pensioners as at May 1, 1939. The Province pays semi-annual interest on March 31st and September 30th at 4% per annum and may pay all or part of the debt at its option. In accordance with Section 24(1) of the Act, the aforementioned amount has been recorded as debt due from the Province.

(d) Furniture, computer equipment and programs:

Furniture purchases are charged to operations in the year of acquisition.

2. (d) continued:

Computer equipment and programs are capitalized and amortized on a straight line basis over six years.

		1990		1989
		(Thousands of Dollars)		
Computer equipment	$ 572		$594	
Less accumulated amortization	(169)	$403	(172)	$422
Computer programs	156		156	
Less accumulated amortization	(154)	2	(151)	5
Balance, end of year		$405		$427

(e) Superannuation indexing adjustment account (S.I.A.A.):

In accordance with amendments to the Act, effective July 1, 1977, a program of controlled indexing was implemented whereby 10.2% of employees' and employers' annual contributions are allocated to a S.I.A.A.. Interest is allocated to the account on a basis related to the yield earned by the Fund on its mortgages, bonds and debentures. The account is intended to fund 50% of the cost-of-living adjustment payments made to pensioners and beneficiaries. The non-matching employers are billed for the remaining 50% of the cost-of-living adjustments paid to their retired employees or their survivors.

Effective July 1 of each year, cost-of-living superannuation adjustment payments are calculated in accordance with the formula set out in the Civil Service Superannuation Act, section 33(7). The formula is based on the Consumer Price Index (Canada) increase in the previous calendar year and the increase in the calculated benefit index. Section 33(8) requires the calculated adjustment to be reduced if, in the opinion of the actuary, the adjustment would result in an unfunded liability in the S.I.A.A. as at December 31 of the preceding year. In 1990 the actuary recommended that 66.7% (1989-62%) of the calculated adjustment be paid.

A 1990 Amendment to the Civil Service Superannuation Act:

(i) Provides for the transfer of the actuarial surplus in the Fund as at December 31, 1986 of $31,788,810 to the S.I.A.A. on January 1, 1989. In accordance with the Act, the amount transferred is to be used for funding adjustments made on or after July 1, 1990. A portion of the actuarial surplus representing the excess investment earnings on the assets supporting liabilities for pensioners amounting to $8,156,600 may be used to pay cost-of-living increases.

2. (e) continued:

The remainder of the actuarial surplus which is attributable to members in the Fund as at December 31, 1986 may be used in future years to fund adjustments as these members subsequently retire.

(ii) Modifies the S.I.A.A. formula to provide for a maximum annual adjustment equal to two-thirds of the increase in the Consumer Price Index (Canada) unless the actuary concludes that the S.I.A.A. is sufficient to make all required adjustment payments on a continuing basis for the immediate ensuing period of 20 years.

The actuarial valuation of the S.I.A.A. as at December 31, 1989 revealed that $14,084,228 (1988-$5,076,098) was available to finance additional cost-of-living increases for pensioners. Effective July 1, 1990, the Board approved and paid the actuarially calculated superannuation adjustment for 1990 in accordance with the formula set out in the Act, equal to:

(i) 1.71% (1989 - 1.24%) of the total lifetime pension plus any previously granted adjustments in that allowance, and

(ii) 55¢ (1989 - 38¢) per month for each year of service, to a maximum of 35 years,

for those employees who retired before January 1, 1989. Employees who retired after that date, but before July 1, 1989, were paid a pro-rata portion of the adjustment. Beneficiaries of deceased pensioners receive two-thirds of the adjustment that the pensioner would have been eligible for. The present value of the July 1, 1990 adjustment has been actuarially calculated to be $7,572,600 (1989 - $5,076,098).

(f) Actuarial valuations:

The financial statements do not take into account actuarial valuations and, therefore, do not reflect the financial position of the Fund on an actuarial basis. In accordance with the Act, an actuarial valuation and report is required every three years. The most recent actuarial report on The Civil Service Superannuation Fund, as at December 31, 1989, disclosed a surplus of $50,392,215.

2. (g) Provision for Fund's employees' pension benefits:

A portion of the Fund was allocated to provide for the Fund's employer share of the accrued actuarial liability for its employees' pension benefits based on an actuarial report. The report provided a method of allocating funds to the provision each year between triennial valuations to recognize the annual increase in this liability and for adjustments to be made for actual experience at each valuation. Transactions affecting the provision in 1990 and 1989 were as follows:

	1990	1989
	(Thousands of Dollars)	
Balance, beginning of year as previously reported	-	-
Adjustment of Provision for Fund's share of employees' pension benefits	$ 1,012	$ 876
As restated	1,012	876
Required employer contributions charged to administrative expenses	63	57
Interest allocated from investment income	109	99
	1,184	1,032
Less: Fund's share of pension payments	(27)	(20)
Balance, end of year	$ 1,157	$1,012

3. Non Matching Employer Recovery:

The Civil Service Superannuation Act was amended effective July 1, 1990 to require that non-matching employers pay their share of the administrative costs of the Fund. The Fund recovered $404,615 from non-matching employers for the period July 1, 1990 to December 31, 1990.

THE CIVIL SERVICE SUPERANNUATION FUND
Notes to the Financial Statements
for the year ended December 31, 1990

4. Money Purchase Accounts Plan:

Manitoba Regulation 77/85 under the Civil Service Superannuation Act established a Money Purchase Accounts Plan effective January 2, 1985. Under this regulation, eligible individuals may transfer to the Plan an amount from either the Fund or pension plan of a prior employer, to provide for an annuity or other settlement in the future. The Plan is administered and accounted for separately by the Board for which the Board charges the Plan with an administration fee. The accumulated value of a participant's account, upon election of an annuity under the Plan, will be transferred to an annuity reserve as part of the reserve for present and future benefits of the Fund.

5. Accumulated Unrealized Foreign Exchange:

An analysis of gains or (losses) in the accumulated unrealized foreign exchange account is shown below:

	1990	1989
	(Thousands of Dollars)	
Balance, beginning of year	$ 1,457	$ 1,386
Foreign exchange on purchase and sale of foreign currency	1,992	(551)
Translation of transactions	108	217
Net translation - investment assets	(1,831)	769
	1,726	1,821
Transfer to income	(345)	(364)
Balance, end of year	$ 1,381	$ 1,457

THE CIVIL SERVICE SUPERANNUATION FUND
Notes to the Financial Statements
for the year ended December 31, 1990

6. Investment Related Expenses:

Investment related expenses are summarized below:

	1990	1989
	(Thousands of Dollars)	
Direct	$ 936	$ 851
Administrative	153	117
	$ 1,089	$ 968

The Board approved the allocation of identifiable costs as Direct expenses. Where direct allocation is not practical, expenses are allocated on a prorated basis as administrative expenses.

7. Transfer payable for Manitoba Data Services' (MDS) Employees:

The Government of the Province of Manitoba's interest in Manitoba Data Services was sold in August of 1990. As part of the sale arrangement the pension liability for current MDS employees was to be paid to the Government of the Province of Manitoba for transfer to the new MDS pension plan. The Government of the Province of Manitoba was to reimburse the Fund for the full pension liability for existing MDS pensioners and deferred pensioners. These amounts were settled with the Province on January 31, 1991.

8. Comparative Figures:

Comparative figures for the year ended December 31, 1989 have been restated to conform with the presentation adopted for the current year.

Schedule 1

THE CIVIL SERVICE SUPERANNUATION FUND
Summary of Investments
as at December 31, 1990

	1990		1989
	Par Value	Book Value	Book Value
	(Thousands of Dollars)		
Fixed income investments, Note 2 (b)(i)			
Short term investments	$ 92,519	$ 92,519	$ 52,969
Bonds and debentures			
Government of Canada	37,000	37,052	39,779
Province of Manitoba	13,418	13,486	24,997
Province of New Brunswick	6,500	7,352	7,412
Province of Newfoundland	-	-	1,700
Province of Nova Scotia	-	-	4,947
Province of Ontario	22,125	21,450	31,857
Province of Saskatchewan	1,500	1,500	4,000
Government of Northwest Territories	4,400	4,400	4,700
Hospitals	3,177	3,177	3,437
Municipal Corporations	3,836	3,811	7,081
Corporations	330,599	328,351	281,363
	422,555	420,579	411,273
Fixed Income Component Balanced Funds (includes short term)		59,401	77,972
		479,980	489,245
Mortgages			
Insured, National Housing Act (Canada)	59,120	54,442	65,531
Index-Linked	21,897	21,898	15,858
Uninsured	94,332	94,272	82,801
	175,349	170,612	164,190
Pooled mortgage funds		23,457	21,103
		194,069	185,293
Unamortized losses (gains) on disposition		4,400	(654)
Total fixed income investments at amortized cost		770,968	726,853
Equity investments, Note 2(b)(iii)			
Common stock		9,481	2,191
Equity Component Balanced Funds		146,130	102,566
Petroleum and natural gas investments		24,688	25,170
Investment in subsidiary, Notes 2(b) (ii)		-	-
Venture capital, limited partnerships		7,471	4,562
Real estate, Note 2(b)(iv)			
Participating bonds		29,881	26,325
Qualifying shares		7,071	2,064
Units of pooled real estate		19,702	18,033
Pooled Common Stock		85	56
Accumulated unrealized appraisal adjustments		21,290	20,459
Unamortized losses (gains) on disposition		(1,269)	(1,548)
Total equity investments		264,530	199,878
Total investments, Exhibit A		$ 1,035,498	$ 926,731

Schedule 2

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Contributions
for the year ended December 31, 1990

	1990			1989
	Employer	Employee	Total	Total
	(Thousands of Dollars)			
Province of Manitoba Civil Service	$ 18,563	$ 29,123	$ 47,686	$ 44,388
Manitoba Telephone System	9,086	9,638	18,724	16,831
Manitoba Hydro-Electric Board	7,959	8,387	16,346	14,971
Liquor Control Commission	1,228	713	1,941	1,836
Manitoba Health Services Commission	638	1,229	1,867	1,741
Manitoba Public Insurance Corporation	309	2,144	2,453	2,178
Alcoholism Foundation of Manitoba	101	332	433	403
Civil Service Superannuation Board, Note 2(g)	-	57	57	52
Communities Economic Development Fund	25	27	52	50
Crown Corporations Council	-	13	13	-
Housing Authorities	313*	313*	626	582
Human Resources Opportunity Centres	123*	123*	246	220
Local Government Districts	3*	3*	6	6
Manitoba Agricultural Credit Corporation	73	114	187	184
Manitoba Arts Council	19*	19*	38	24
Manitoba Beef Commission	14*	8*	22	36
Manitoba Centennial Centre Corporation	88	92	180	164
Manitoba Crop Insurance Corporation	101	232	333	295
Manitoba Data Services, Note 7	15	308	323	504
Manitoba Development Corporation	26	14	40	35
Manitoba Energy Authority	-	24	24	33
Manitoba Government Employees' Association	104*	104*	208	198
Manitoba Hog Producers' Marketing Board	40*	40*	80	90
Manitoba Horse Racing Commission	-	13	13	17
Manitoba Lotteries Foundation	6	210	216	203
Manitoba Milk Producers' Marketing Board	43*	43*	86	74
Manitoba Research Council	187*	172*	359	344
Manitoba Turkey Producers' Marketing Board	10*	10*	20	20
Manitoba Water Services Board	13*	11*	24	24
Public Investments Corporation of Manitoba	-	-	-	2
Teachers' Retirement Allowances Fund Board	22	43	65	58
The Legal Aid Services Society of Manitoba	-	197	197	192
Universities Grants Commission	9	12	21	19
Workers Compensation Board	37	-	37	36
Employees on loan	36	36	72	58
Employees on Workers Compensation	-	8	8	6
Long Term Disability	4	10	14	11
Receipts from other pension plans re: transfer of employee benefits under reciprocal agreements	-	856	856	520
Repayment of contributions previously refunded	-	155	155	56
Contributions based on prior non-pensionable employment	-	934	934	968
Contributions based on war service	-	1	1	2
Transfer from Money Purchase Plan, Exhibit E	-	35	35	13
Total contributions, Exhibit B	$ 39,195	$ 55,803	$ 94,998	$ 87,444

*Employers' contributions based on employees' remuneration

Schedule 3

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Investment Income
for the year ended December 31, 1990

	1990	1989
	(Thousands of Dollars)	
Fixed income:		
Interest	$ 84,849	$ 77,288
Foreign exchange, Note 5	(345)	(364)
Amortization of discounts net, Note 2(b)(i)	931	369
Amortization of realized (losses), gains, Note 2(b)(i)	(913)	739
Transfer to provision for investment losses, Exhibit C, Note 2(b)(v)	(1,036)	(927)
	83,486	77,105
Equity income:		
Real estate dividends and interest, Note 2(b)(iv)	4,438	3,874
Other dividends and interest	6,365	4,029
Unrealized appraisal adjustments, Note 2(b)(iii)	496	6,251
Amortization of realized gains, (losses), Note 2(b)(iii)	614	(144)
	11,913	14,010
Gross investment income	95,399	91,115
Less:		
Investment related expenses, Note 6	1,089	968
Allocated to reserve for Fund's share of employees' pension benefits, Note 2(g)	109	99
	1,198	1,067
Total net investment income, Exhibit B	$ 94,201	$ 90,048

Schedule 4

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Administrative Expenses
for the year ended December 31, 1990

	1990 (Thousands of Dollars)	1989
Salaries and fringe benefits	$ 1,260	$ 1,115
Bank charges	25	21
Board meetings	8	10
Computer related costs	141	68
Education	10	9
Employee Liaison Committee expenses	13	-
Furniture/fixtures/rental/servicing	17	12
Government administration charges	7	-
Medical examinations	15	11
Miscellaneous	30	22
Printing and stationery	75	71
Professional fees	160	82
Rent	44	-
Seminars and travelling	20	17
Telephone, postage and delivery	85	70
Gross administrative expenses	1,910	1,508
Less:		
Operating recoveries for the administration of:		
Long Term Disability Plans	10	7
Manitoba Hydro Retirement Plan	1	1
Money Purchase Accounts Plan, Note 4	8	4
Municipal Employees Benefits Board	47	58
Public Service Group Insurance Fund	93	88
Investment administrative expenses recovered, Note 6	153	117
Non matching employer recovery, Note 3	405	-
Total recoveries	717	275
Net administrative expenses, Exhibit B	$ 1,193	$ 1,233

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M. M. JONES C.A.
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E. A. [illegible] C.A.
D. W. STREUBER C.A.

CONSULTANT
E. B. STREUBER C.A.

HUBERT READE C.A. (1910-1945) THOMAS SILL C.A. ([illegible])

AUDITORS' REPORT

We have audited the balance sheet of Communities Economic Development Fund as at March 31, 1991 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Sill Streuber Fiske + Company.

Chartered Accountants

Winnipeg, Manitoba
May 16, 1991

COMMUNITIES ECONOMIC DEVELOPMENT FUND

BALANCE SHEET
March 31, 1991

ASSETS

	1991	1990
Cash and term deposits	$2,824,886	$2,375,143
Due from Province of Manitoba (Note 7)	717,294	836,575
Accounts receivable	10,296	650
Loans and mortgages receivable (Notes 2 and 4)	4,400,487	4,598,159
Fixed assets (Notes 2 and 8)	47,782	39,517
	$8,000,745	$7,850,044

LIABILITIES

	1991	1990
Accounts payable and accrued liabilities	$ 200,328	$ 112,388
Due to Manitoba Development Corporation (Note 2)	25,194	26,433
Accrued pension liability (Note 2)	358,000	294,000
Advances by the Province of Manitoba (Note 3)	7,417,223	7,417,223
	$8,000,745	$7,850,044

Approved on behalf of the Board

Director Director

COMMUNITIES ECONOMIC DEVELOPMENT FUND

STATEMENT OF OPERATIONS
Year ended March 31, 1991

	1991	1990
EXPENDITURES		
Administrative (Page 8)	$ 917,360	$ 895,893
Provision for doubtful accounts		
Approved in current fiscal year	5,000	68,600
Approved in previous fiscal year	281,765	66,951
Approved in prior years	477,569	569,452
	$1,681,694	$1,600,896
REVENUE		
Loan interest	$ 609,253	$ 620,265
Miscellaneous	31,831	38,501
	$ 641,084	$ 658,766
Net costs of operations before other items	$1,040,610	$ 942,130
OTHER ITEMS		
Past service pension fund costs (Note 2)	$ 89,268	$ 141,000
Court award and legal costs (Note 10)	41,020	200,449
Decentralization expense (Note 9)	132,355	
Cancelation of previous debt		(100,000)
	$ 262,643	$ 241,449
Excess of expenditures over revenue	$1,303,253	$1,183,579
SUBSIDY FROM THE PROVINCE OF MANITOBA	1,303,253	1,183,579
	$ --	$ --

COMMUNITIES ECONOMIC DEVELOPMENT FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION
Year ended March 31, 1991

	1991	1990
CASH PROVIDED (USED) BY		
Operating activities		
Operations		
Excess of expenditures over revenue	$(1,303,253)	($1,183,579)
Items not involving cash		
Depreciation	14,935	10,318
Provision for doubtful accounts	764,334	705,003
Cancellation of previous debt from Province		100,000
	$ (523,984)	$ (368,258)
Net change in non-cash working capital balances	260,336	24,504
	$ (263,648)	$ (343,754)
Lending activities		
Loans issued	($1,320,273)	($1,378,269)
Loan principal payments	753,611	1,374,421
(Purchase) disposal of office equipment	(23,200)	13,616
	$ (589,862)	$ 9,768
Financing activities		
Subsidy - Province of Manitoba (Note 1)	$1,303,253	$1,183,579
Advances by the Province of Manitoba (Note 3)		(100,000)
	$1,303,253	$1,083,579
Increase in cash and term deposits	$ 449,743	$ 749,593
Cash and term deposits, beginning of year	2,375,143	1,625,550
Cash and term deposits, end of year	$2,824,886	$2,375,143

COMMUNITIES ECONOMIC DEVELOPMENT FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 1991

NOTE 1

Nature of the Fund

The Communities Economic Development Fund (The Fund) was established as a Crown corporation to encourage the optimum economic development of remote and isolated communities within the Province of Manitoba. The Fund places emphasis upon the economic development of northern Manitoba. However, applicants from other communities outside the city of Winnipeg, within the Province are also considered. To carry out this objective it is not practical to pass on all of the Fund's costs to the users of its services. As a result, the Fund depends on a subsidy from the Province of Manitoba.

NOTE 2

Significant accounting policies

Allowance for doubtful accounts

The allowance for doubtful accounts on loans and interest receivable is based on a specific percentage provision for all accounts in arrears over ninety days plus a provision on an account by account basis where deemed necessary. In addition, a non-specific provision equal to 5% of the remaining loans, not specifically provided for, has been made. This non-specific provision is intended to cover unforeseen losses on loans which have not yet been identified.

Administrative expenses

The Fund was jointly administered with the Manitoba Development Corporation (MDC) until December 31, 1990. Common administrative expenses were reviewed and allocated between MDC and The Fund on a proportionate basis.

Pension expense and obligations

The employees of the Fund are not members of the Civil Service of the Province but they contribute to, and are pensionable under, the Civil Service Superannuation Fund. In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Fund will contribute 50% of the pension payments made to retired employees. Payments to the pensioners are charged against the liability account. The current pension expense is determined on the basis of an actuarial valuation. In fiscal years prior to 1989, the Fund charged to operations contributions to the Manitoba Civil Service Superannuation Fund which amounted to 50% of the pension payments made to retired employees. Beginning in the 1989 fiscal year the fund has recorded a provision to fund current service obligations. In the fiscal year under observation the balance of the past service obligation has been provided for. The total liability as at March 31, 1991 amounts to $358,000.

Depreciation

Office furniture and equipment is depreciated at 10% on a straight-line basis, with exception of computer equipment and software which is depreciated at a rate of 33 1/3% per annum.

COMMUNITIES ECONOMIC DEVELOPMENT FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 1991

NOTE 3

Advances by the Province of Manitoba

Funds are advanced by the Province by way of interest-free conditional grants to a revolving funds for the purpose of making direct loans and guarantees. Any funds drawn in excess of current needs are deposited with the Province interest free. If the Communities Economic Development Fund should cease operations then all remaining funds will be returned to the Province.

The funds advanced are as follows:

	1991	1990
Balance, beginning of year	$7,417,223	$7,517,223
Debt cancelled during the year		(100,000)
	$7,417,223	$7,417,223
Unused loan act capital available		
For the purpose of - Direct loans	$3,005,000	$3,005,000
Guarantees	1,400,000	1,400,000
	$4,405,000	$4,405,000

NOTE 4

	1991	1990
Loans and mortgages receivable		
Loans receivable	$5,883,885	$5,902,737
Mortgages receivable	110,864	221,204
Accrued interest	428,140	389,118
	$6,422,889	$6,513,059
Allowance for doubtful loans (Note 5)	2,022,402	1,914,900
	$4,400,487	$4,598,159

COMMUNITIES ECONOMIC DEVELOPMENT FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 1991

NOTE 5

Allowance for doubtful accounts

The change in the allowance is accounted for as follows:

	1991			1990
	Specific	Non-Specific	Total	Total
Balance, beginning of year	$1,728,100	$ 186,800	$1,914,900	$1,642,700
Provision during the year	762,217	2,117	764,334	705,003
	$2,490,317	$ 188,917	$2,679,234	$2,347,703
Accounts written off	(656,832)		(656,832)	(432,803)
Balance, end of year	$1,833,485	$ 188,917	$2,022,402	$1,914,900

NOTE 6

	1991	1990
Loan commitments and contingent liabilities		
Undisbursed balance of approved loans	$ 628,365	$ 250,355
Contingent liability - bank loan guarantees	$ --	$ --

NOTE 7

Due from Province of Manitoba

The Province of Manitoba provided a grant to cover the Fund's anticipated subsidy requirements for the year ended March 31, 1991. The amount of $717,294 (1990-$836,575) represents additional funds needed to cover the actual requirements for the year including coverage for the pension liability. The balance is comprised of the following:

	1991	1990
Department of Northern Affairs		
Subsidy	$359,294	$542,575
Pension	358,000	294,000
	$717,294	$836,575

NOTE 8

	1991	1990
Fixed assets, at cost		
Office furniture and equipment,		
Balance, beginning of year	$ 79,832	$114,670
Purchases during the year	27,275	1,200
Sold during the year	(10,635)	(36,038)
Discarded during the year	(18,712)	
	$ 77,760	$ 79,832
Accumulated depreciation	(29,978)	(40,315)
	$ 47,782	$ 39,517

COMMUNITIES ECONOMIC DEVELOPMENT FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 1991

NOTE 9

Decentralization expense

The Fund moved it's Head Office to Thompson in August, 1990 on part of the Government of Manitoba's decentralization program. Consultants' offices were established in Swan River and Winnipeg. Decentralization expenses includes severance packages, disturbance allowance and moving expenses. The Manitoba Development Corporation has requested an additional $34,153 from the Fund as at March 31, 1991. This amount has not been acknowledged by the Fund and has not been reflected in the statement of operations.

NOTE 10

Court award

In 1980 a judgement was rendered against the Fund which resulted in certain real property being returned to the plaintiff. An estimated assessment of additional legal expenses, resulting from appeals, and interest due is reflected in the statement of operations. The plaintiff has requested a settlement which is $26,689 in excess of the settlement estimated by the Fund. This request is being disputed by the Fund and no liability has been recorded for the disputed amount.

COMMUNITIES ECONOMIC DEVELOPMENT FUND

SCHEDULE OF ADMINISTRATIVE EXPENSES
Year ended March 31, 1991

	1991	1990
Communications	$ 37,723	$ 24,210
Consultants' fees and expenses	20,107	3,624
Credit reports	17,467	16,356
Depreciation	14,935	10,318
Directors' fees and expenses	59,322	53,429
Investigation expenses		6,363
Legal and audit	79,515	45,309
Office supplies and expenses	20,306	22,875
Rent and utilities	100,805	122,711
Salaries and employee benefits	521,538	539,091
Sundry	6,157	23,848
Travel	39,485	27,759
	$917,360	$895,893

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MELFORT
MOOSOMIN
NEEPAWA
RED DEER
VIRDEN
WINNIPEG

26th June, 1991

The Members
Cooks Creek Conservation District No. 5

AUDITORS' REPORT

We have audited the balance sheet of the Cooks Creek Conservation District No. 5 as at 31st March, 1991 and the statement of revenues and expenses for the year then ended. These financial statements are the responsibility of the management of the District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at 31st March, 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny & Co.
Chartered Accountants

COOKS CREEK CONSERVATION DISTRICT NO. 5

BALANCE SHEET AS AT 31ST MARCH, 1991

STATEMENT 1

	1991	1990
ASSETS		
CURRENT ASSETS		
Cash	127,947	86,785
Accounts receivable	49,876	101,384
	177,823	188,169
FIXED ASSETS (Note 3)	5,419	5,900
	183,242	194,069
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Conservation District Authority	6,584	5,174
Deferred revenue	-	2,500
	6,584	7,674
EMERGENCY RESERVE	2,000	2,000
SURPLUS		
Balance - Beginning of Year	184,395	184,463
Deficiency of Revenues over Expenses	9,737	68
Balance - End of Year	174,658	184,395
	183,242	194,069

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF REVENUES AND EXPENSES

FOR THE YEAR ENDED 31ST MARCH, 1991

STATEMENT 2

	1991	1990
REVENUES		
Grants		
Province of Manitoba	222,666	233,476
Rural Municipality of Brokenhead	112	157
Rural Municipality of St. Annes	696	975
Rural Municipality of Springfield	46,946	65,724
Rural Municipality of Tache	4,360	6,104
Crossing contingency	21,500	-
Rural Municipality of Springfield - Cooks Creek Diversion	49,875	101,384
Sundry	50	67
Interest	16,653	11,450
	362,858	419,337
EXPENSES - SCHEDULE 1		
Administration	78,490	73,938
Resources Extension and Public Education	2,013	1,298
Sub District Programs	241,030	242,785
Cooks Creek Diversion - Tributaries	49,875	100,317
- Main Channel	-	1,067
Water monitoring	1,187	-
	372,595	419,405
DEFICIENCY OF REVENUES OVER EXPENSES	9,737	68

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 1991

NOTE 1 - ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with generally accepted accounting principles.

NOTE 2 - ACCOUNTING POLICIES

Fixed Assets

Fixed assets are recorded at cost and depreciation is recorded on the straight line method at the following annual rates:

Office equipment	15%
Program support equipment	25%

NOTE 3 - FIXED ASSETS

	Balance Beginning Of Year	Additions	Balance End of Year
Fixed Assets			
Office equipment	9,686	430	10,116
Program support equipment	3,724	715	4,439
	13,410	1,145	14,555
Accumulated Depreciation			
Office equipment	5,164	1,067	6,231
Program support equipment	2,346	559	2,905
	7,510	1,626	9,136
Net Book Value	5,900		5,419

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31ST MARCH, 1991

SCHEDULE 1

	1991	1990
ADMINISTRATION		
Association dues	500	350
Board remuneration	10,098	11,478
Compensation	750	-
Depreciation	1,626	1,950
Insurance	1,233	1,157
Management expenses	2,783	3,246
Office maintenance	3,030	3,370
Office rent	5,363	4,950
Printing, postage and stationery	4,512	4,655
Professional fees	1,105	1,025
Salaries and benefits	47,490	41,757
	78,490	73,938
RESOURCE EXTENSION AND PUBLIC EDUCATION	2,013	1,298
SUB DISTRICT PROGRAMS		
Lower Seine River	72,738	93,592
Cooks Creek	163,572	124,929
Carrs Creek	4,720	24,264
	241,030	242,785
COOKS CREEK DIVERSION - TRIBUTARIES	49,875	100,317
COOKS CREEK DIVERSION - MAIN CHANNEL	-	1,067
WATER MONITORING	1,187	-
TOTAL EXPENSES	372,595	419,405

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF SUB-DISTRICT PROGRAMS

FOR THE YEAR ENDED 31ST MARCH, 1991

SCHEDULE 2

	Lower Seine River	Cooks Creek	Carrs Creek	1991	1990
apital works	53,911	24,016	-	77,927	89,915
rossings	6,482	93,253	3,707	103,442	87,667
hannel maintenance	12,345	46,303	1,013	59,661	65,203
	72,738	163,572	4,720	241,030	242,785

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED 31ST MARCH, 1991

SCHEDULE 3

	Cost Share		Total Expenses	Provincial Share	District Share	Other
	Provincial %	District %	$	$	$	$
ADMINISTRATION						-
General	75	25	67,760	50,820	16,940	
Other	-	100	632	-	632	
Capital purchases	75	25	160	120	40	
REMUNERATION						
General	75	25	9,598	7,198	2,400	
Other	-	100	501	-	501	
RESOURCE EXTENSION						
Public Education						
General	75	25	2,013	1,510	503	
Capital purchases	75	25	270	203	67	
			80,934	59,851	21,083	-
SUB DISTRICT PROGRAMS						
Lower Seine	75/70	25/30	72,738	51,858	20,880	
Cooks Creek	75	25	163,572	106,554	35,518	21,500
Carrs Creek	75	25	4,720	3,540	1,180	
			241,030	161,952	57,578	21,500
COOKS CREEK DIVERSION						
Tributaries	-	100	49,875	-	49,875	
WATER MONITORING						
General	75	25	436	327	109	
Other	-	100	750		750	
Capital purchases	75	25	715	536	179	
			1,901	863	1,038	-
TOTAL **EXPENDITURES**			373,740	222,666	129,574	21,500
LESS: CAPITAL PURCHASES			1,145	859	286	-
TOTAL EXPENSES			372,595	221,807	129,288	21,500

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the schedule of loans and loans guarantee transactions of The Cooperative Loans and Loans Guarantee Board for the year ended March 31, 1991. This schedule is the responsibility of the board's management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule.

In our opinion, this schedule presents fairly, in all material respects, the transactions of the board for the year ended March 31, 1991 in accordance with the accounting policies stated in note 2 to the schedule.

Winnipeg, Manitoba
May 17, 1991

F. H. Jackson, CA
Provincial Auditor

THE COOPERATIVE LOANS AND LOANS GUARANTEE BOARD

Schedule of Loans and Loans Guarantee Transactions for the year ended March 31, 1991

	Amounts outstanding at March 31, 1990	Additions	Payments/ Cancellations	Amounts outstanding at March 31, 1991
Loans:				
	$ -	$ -	$ -	$ -
Loans Guarantees: (Note 4)				
Northern Cooperative Service Ltd.	600,000	-	-	600,000
Manlamb Producers Co-op Ltd.	-	30,000	-	30,000
	$ 600,000	$ 30,000	$ -	$ 630,000

THE COOPERATIVE LOANS AND LOANS GUARANTEE BOARD

Notes to the Schedule
for the year ended March 31, 1991

---

1. Nature of Operations

The Cooperative Association Loans and Loans Guarantee Act established the Board with the primary objective of ensuring that cooperative organizations have access to basic financial services. The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba.

2. Accounting Policies

a) Loans are carried at the amount of principal due to the Board.

b) Loans guarantees are carried at the amount guaranteed.

3. Operating Practices

a) The activities of the Board are administered by the Development and External Finance Branches of the Department of Cooperative, Consumer and Corporate Affairs. All administrative and general operating costs of the Board are paid by the Department.

b) The Board does not charge a fee for its loans and loan guarantees.

4. Guarantees

The Board guaranteed to the Canadian Imperial Bank of Commerce an operating loan up to but not exceeding $600,000 extended to the Northern Cooperative Services Ltd., Petroleum Division. The loan at the bank was cancelled August 3, 1990, the guarantee lapsed on April 1, 1991 and was not subsequently renewed.

The Board guaranteed to the Bank of Nova Scotia an operating loan up to but not exceeding $30,000 extended to Manlamb Producers Co-op Ltd. This guarantee will reduce annually by $10,000 commencing January 5, 1992. Advances against the guarantee by the Bank of Nova Scotia as at March 31, 1991, amounted to $22,057.

THE COOPERATIVE LOANS AND LOANS GUARANTEE BOARD

Notes to the Schedule
for the year ended March 31, 1991

---

5. Loan Act Authority

The Government of the Province of Manitoba has authorized the following amounts for funding loans and loan guarantees:

Authority	Outstanding Borrowing Authority	
The Loan Act, 1990 - Loans		$ 1,680,000
- Guarantees	1,000,000	-
Less: Amounts encumbered by Department of Finance	630,000	370,000
		$ 2,050,000

6. The Board previously obtained title to fixed assets owned by the South Indian Lake Co-op Fisheries Ltd. During the year ended March 31, 1991, the Board obtained proceeds of $9,207 from the rental of the fish processing plant. The proceeds have been paid to the Government of the Province of Manitoba.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Cooperative Promotion Board as at March 31, 1991 and the statements of income and expenditure and retained earnings for the year then ended. These financial statements are the responsibility of the Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in Note 2 to the financial statements.

F. H. Jackson, CA,
Provincial Auditor

Winnipeg, Manitoba
May 17, 1991

THE COOPERATIVE PROMOTION BOARD

Statement of Income and Expenditure and Retained Earnings for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991 $	1990 $
Income:		
Interest	34,306	32,039
Amortization of discount on investments	283	283
Refund of grants (Note 5)	1,250	700
Total Income	35,839	33,022
Expenditure:		
Grants and direct expenses on behalf of cooperatives:		
Grants, Schedule 1:	13,438	25,342
Direct expenses:		
"Meeting the Challenge of the 90's" conference	568	-
	14,006	25,342
General and administrative expenses:		
Annual Reports	1,095	385
Audit Fee	1,325	1,330
Board members' remuneration	235	560
Board members' travel	762	1,757
Office expenses	48	133
Miscellaneous	-	69
	3,465	4,234
Total expenditure	17,471	29,576
Income over Expenditure	18,368	3,446
Retained earnings, beginning of year	197,758	194,312
Retained earnings, end of year	216,126	197,758

THE COOPERATIVE PROMOTION BOARD

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

ASSETS

	1991 $	1990 $
Current assets		
Cash	44,190	34,706
Term deposits (Note 3)	231,031	222,879
Accrued interest receivable	5,113	5,216
Total current assets	280,334	262,801
Investments, at amortized cost (note 4)	66,344	66,061
	346,678	328,862

LIABILITIES AND EQUITY

	1991 $	1990 $
Accounts payable	1,752	2,304
Contributed capital (Note 1)	128,800	128,800
Retained earnings	216,126	197,758
	346,678	328,862

THE COOPERATIVE PROMOTION BOARD

SCHEDULE 1

Schedule of Grants
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
	$	$
Arborg & District Agricultural Society		500
Arborg School-Age Child Care Co-op Inc.	300	
Boissevain Farmers Market Co-op		500
Bridgeview Central Co-op Day Care Inc.		500
Canadian Cooperative Assoc.	1,500	1,500
Churchill Accounting Services Co-op Ltd.		500
Clarkleigh Originals Co-op Inc.	250	
Cooks Falls Water Co-op Ltd.		500
Co-op Chalet St. Norbert Ltee.		100
Deloraine & District Chamber of Commerce		500
Duck Mountain Forage Co-op Ltd.	500	
Dufferin Agricultural Society		500
Farmers' Market Co-ops of Mb. Inc.		2,000
Gimli & District Farmers Market		500
Glenboro & District Chamber of Commerce		500
Hamiota Farmers Market		500
Housing Co-op Council of Mb. Inc.	1,000	700
Island Lake Tribal Council Inc.		500
Killarney Mall Tenants Assoc.		500
Lao Santisouk Housing Co-op Ltd.		400
La Riviere Arts & Crafts Co-op Ltd.	200	
Loaves and Fishes Co-op Inc.	500	
Lundar Agricultural Society		500
Manitoba Cooperative Council	3838	
Manitou & Community Chamber of Commerce		500
Manlamb Producers Co-op Ltd.	1500	
Melita Rural Life Support Group		500
Neechi Foods Co-op Ltd.	300	
Neepawa & District Chamber of Commerce		500
New Beginnings Housing Co-op Ltd.	550	
Niakwa Nursery School Co-op Inc.		500
Northern Microwave Communications Co-op Ltd.		500
Onanole & District Farmers Market		500
Organic Producers Assoc. of Mb. Co-op Ltd.		500
Osborne Village Business Improvement Zone	500	
Peg Knitters Co-op Inc.		350
Pilot Mound & District Chamber of Commerce		500
Prairie Fresh Farmers Market		500
Prairie Housing Cooperative Ltd.		925
Quality Plus Child Care Co-op Inc.		500

THE COOPERATIVE PROMOTION BOARD

SCHEDULE 1

Schedule of Grants
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
	$	$
Rhineland Agricultural Society		500
Roblin Agricultural Society		500
Russell Agricultural Society		500
Selkirk Avenue Business Assoc.		500
Selkirk & District Business Assoc.		500
Spirit Studio Co-op Ltd.		500
St. Boniface Residents' Housing Co-op Ltd.		500
St. George's Kids Co-op Inc.	500	
St. Malo Farmers Market		500
St. Michael's Villa Seniors Co-op Inc.	500	
Stanley Agriculture Society		500
Steinbach Chamber of Commerce	500	
Stonewall & District Chamber of Commerce		500
Swan Valley Farmers Market	500	
The Pas Farmers' Market Co-op Inc.		500
Thompson Chamber of Commerce		500
Virden Farmers Market		367
West Broadway Community Services Inc.		500
Western Prairie Specialty Meats Co-op Ltd.	500	
White Mud Falls Water Cooperative Ltd.		500
Winnipeg River Development Corp.		500
	13,438	25,342

Notes to the Financial Statements
as at March 31, 1991

---

1. Nature and objectives of the Board

The Cooperative Promotion Board operates under the terms of The Cooperative Promotion Trust Act which came into force on December 20, 1988. The Board is a continuation of the Board established under The Wheat Board Money Trust Act. This Act was repealed when The Cooperative Promotion Trust Act came into force.

The funds controlled by the Board consist of the surplus funds of the original Canadian Wheat Board apportioned to Manitoba by the Government of Canada (recorded as Contributed Capital), assets vested in the Board when The Cooperative Promotion Trust Act came into force and assets subsequently acquired by the Board.

The objects of the Board are to assist in the development of cooperative organizations, to promote the general welfare of cooperative organizations and rural residents in Manitoba and to make recommendations to the Minister responsible with respect to cooperative organizations and related legislation.

2. Accounting policies

a) These financial statements are prepared in accordance with the accrual basis of accounting with the following exception:

Grants are reflected as expenditures when paid. Refunds of grants are recorded as income when received.

b) Discounts on investments are amortized on a straight line basis over the life of the investment.

c) The Government of the Province of Manitoba provides the services of support staff, other administrative support services, office space and utilities at no charge to the Board. The cost of these services has not been estimated and is not included in the financial statements.

THE COOPERATIVE PROMOTION BOARD

Notes to the Financial Statements
as at March 31, 1991

3. Term Deposits

	1991 $	1990 $
Me-Dian Credit Union of Manitoba Limited		
8.95% due on June 1, 1991	100,000	-
11.65% due on June 4, 1990	-	100,000
La Caisse Populaire de Saint Boniface Limitee		
11% due on December 21, 1991	79,031	-
11.5% due on December 21, 1990	-	70,879
Province of Manitoba		
11.15% due on April 8, 1991	52,000	-
12.1% due on April 9, 1990	-	52,000
	231,031	222,879

4. Investments

	Par Value	Cost	Accumulated Discount Amortization	1991 Amortized Cost	1990 Amortized Cost
	$	$	$	$	$
Manitoba Hydro-Electric Board 7 1/4% bonds due August 1, 1993	67,000	61,305	5,034	66,339	66,056
Me-Dian Credit Union Ltd. Share	5	5	-	5	5
	67,005	61,310	5,034	66,344	66,061

Notes to the Financial Statements
as at March 31, 1991

---

5. Refund of Grants

	1991 $	1990 $
Nelson House Child Care Co-op Ltd.	-	500
Northern Microwave Communications	500	-
Smurf & Smurfettes Day Care	250	-
T.A.P.S. Centre Co-op Inc.	-	200
White Mud Falls Water Co-op	500	-
	1,250	700

Office of
the Provincial Auditor

905 – 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

Auditor's Report

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Criminal Injuries Compensation Board as at March 31, 1991 and the statement of operations for the year then ended. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the board as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F.H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 11, 1991

Exhibit A

The Criminal injuries Compensation Board

Balance Sheet

as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Assets		
Bank	$ 65,969	$ —
Receivable from the Province of Manitoba for current awards	134,031	204,702
Receivable from the Province of Manitoba for unfunded future cost of awards	21,508,187	19,947,078
	$ 21,708,187	$ 20,151,780
Liabilities and Provisions		
Bank Indebtedness	$ —	$ 4,702
Advance from the Province of Manitoba	200,000	200,000
Provision for future costs		
Pension obligations	19,776,629	18,619,793
Future cost of existing claims	1,731,558	1,327,285
	21,508,187	19,947,078
	$ 21,708,187	$ 20,151,780

The accompanying notes are an integral part of these financial statements.

Exhibit B

The Criminal injuries Compensation Board

Statement of Operations

for the year Ended March 31, 1991
(with 1990 figures for comparison

	1991	1990
Revenues:		
Province of Manitoba:	$ 3,353,550	$ 4,893,769
Recoveries — restitution, insurance	46,961	3,299
Bank interest, net of charges	9,914	4,073
Total revenues	3,410,425	4,901,141
Operating Costs:		
Pensions, inclusive of future obligations	2,380,441	4,017,584
Temporary disability	286,690	308,879
Medical aid	239,670	176,299
Rehabilitation	52,390	61,681
Increase in provision for future cost of existing claims	404,273	333,399
Remittance of recoveries to Province of Manitoba	46,961	3,299
Total operating costs	3,410,425	4,901,141
	$ —	$ —

The accompanying notes are an integral part of these financial statements.

The Criminal injuries Compensation Board

Notes to Financial Statement

for the year Ended March 31, 1991

1. Authority and Operations

The Criminal Injuries Compensation Act provides that injured victims of crime, or their dependents, be eligible for benefits in an amount similar to compensation paid to workers under The Workers Compensation Act. The intent of the Act is to ensure that any innocent victim of crime or any person injured as a result of assisting a Peace Officer should not be placed in a position of undue financial hardship.

Under an Order of the Lieutenant-Governor-in-Council, The Workers Compensation Board (W.C.B.) was designated to administer The Criminal Injuries Compensation Act. All charges for the administration of the Act are paid from the Consolidated Fund of the Government of the Province of Manitoba through an appropriation of the Department of Justice.

2. Accounting Policies

The financial statements have been prepared in accordance with the following accounting policies.

a) Operating Costs

The Board follows the accrued basis of accounting. The policies for the recognition of pension costs and other operating costs consist of:

(i) Pensions

The capitalized value of pensions are reflected in operating costs in the year that pensions are approved or discontinued. Legislative amendments, changes in actuarial assumptions and changes in accrued benefits are reflected in operating costs in the year of the change. Benefits paid are reflected in the operating costs as incurred.

(ii) Other Operating Costs

Temporary disability, rehabilitation and medical aid payments are reflected in operating costs as incurred.

The change in the provision for future cost of existing claims is reflected in operating costs in the year of the change.

b) Receivables

All costs of administering the Act are paid out of the Consolidated Fund under section 24(1) of the Act. Consequently any operational deficiencies are recoverable from the Province of Manitoba.

c) Provision for Future Costs

(i) Pension Obligations

The capitalized values of pensions are calculated using a 3% discount rate which provides for the estimated cost of anticipated future increases in pension benefits.

The pension obligations provision was estimated by the Board utilizing independent actuarial methodology employed by The Workers Compensation Board in determining their obligations.

(ii) Future Cost of Existing Claims

This provision is the estimated amount required to meet the future cost of temporary disability, rehabilitation and medical aid claims incurred prior to March 31, 1991.

An independent actuarial review as at March 31, 1989 provided a methodology to estimate the present value of liabilities for existing claims. The provision for the future costs of existing claims as at March 31, 1991 was estimated by the Board using an update of this methodology.

d) Administration Expenses

Transactions in respect of benefit payments of the Board are processed by The Workers Compensation Board (W.C.B.). Administration expenses, such as W.C.B. staff salaries and other operating expenses for administering The Criminal Injuries Compensation Act, are billed to and paid from the appropriation of the Department of Justice and are reflected in the accounts for W.C.B. For the year ended March 31, 1991, the W.C.B. billed $186,430 (1990 — $167,787) which was reimbursed by the Province of Manitoba.

The Criminal injuries Compensation Board

Notes to Financial Statement

for the year Ended March 31, 1991

3. Pension Obligations

The changes in the capitalized values of pension obligations during the year were as follows:

Provision for pension obligations, March 31, 1990	$ 18,619,793
Pensions approved	1,649,699
Pensions discontinued	(295,135)
Change in accrued benefits	(197,728)
Provision for pension obligations, March 31, 1991	$ 19,776,629

4. Comparative Figures

Certain of the 1990 comparative figures have been reclassified to conform to the current year's financial statement presentation.

AUDITORS' REPORT

To the Members of
Crown Corporations Council:

We have audited the balance sheet of Crown Corporations Council as at December 31, 1990 and the statement of income and reserve reflecting net investment in capital assets for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 1990 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Winnipeg, Canada,
January 29, 1991.

Ernst & Young

Ernst & Young,
Chartered Accountants.

CROWN CORPORATIONS COUNCIL

BALANCE SHEET

DECEMBER 31, 1990

(with comparative figures for December 31, 1989)

ASSETS

	1990	1989
	(in thousands of dollars)	
Current:		
Cash	$ 251	
Interest receivable	2	
Prepaid expenses	12	$ 5
Due from Manitoba Crown corporations (note 3)		211
Capital assets held for resale		11
	265	227
Fixed assets (note 4)	72	16
Deferred retirement allowance benefits (net of amortization)	31	20
	$ 368	$ 263

LIABILITIES AND RESERVE REFLECTING NET INVESTMENT IN CAPITAL ASSETS

	1990	1989
Current:		
Accounts payable and accrued liabilities	$ 97	$ 84
Due to Manitoba Crown corporations (note 3)	131	
Due to Finance Manitoba		130
	228	214
Retirement allowance benefits payable	68	22
	296	236
Reserve reflecting net investment in capital assets	72	27
	$ 368	$ 263

Approved by the Board:

K.P. Kavanagh
Chairman

Director

(see accompanying notes)

CROWN CORPORATIONS COUNCIL

STATEMENT OF INCOME AND RESERVE REFLECTING NET INVESTMENT IN CAPITAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 1990

(with comparative figures for the seven months ended December 31, 1989)

	1990	1989
	(in thousands of dollars)	
Income:		
Recoveries from corporations through levies	$ 665	$ 211
Interest	20	
	685	211
Expenses:		
Salaries and benefits	429	113
Board remuneration and expenses	55	23
Rent	47	10
Professional fees	44	17
Office supplies and printing	18	1
Depreciation	13	2
Telephone and courier	12	2
Training and travel	8	2
Miscellaneous	7	2
Equipment rental and maintenance	7	1
Write-down of capital assets held for resale		11
	640	184
Excess of income over expenses	45	27
Reserve reflecting net investment in capital assets, beginning of period	27	
Reserve reflecting net investment in capital assets, end of period	$ 72	$ 27

(see accompanying notes)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

1. Nature of Organization

The Crown Corporations Council (the "Council") is a body corporate established on June 5, 1989 under the Crown Corporations Public Review and Accountability Act.

The mandate of the Council is to build justifiable public confidence in the effective planning, execution and control of activities of Manitoba Crown corporations ("Crown corporations").

2. Significant accounting policies

a) Recoveries of expenses from Crown corporations through levies

Operating expenses are recovered from the Crown corporations through the assessment of a levy allocated on a pro rata basis determined by the gross revenues of the Crown corporation. The levy is recognized in these financial statements at the time the related costs are incurred.

b) Deferred retirement allowance benefits

Retirement allowances are provided to certain qualifying employees. On the date which the employee qualifies for a retirement entitlement, the amount is recorded as a deferred charge and is amortized on a straight line basis over the expected service period of the employee.

c) Reserve reflecting the net investment in capital assets

The purchase of capital assets is funded through the operating expense levy assessed to the Crown corporations. The reserve reflects levies assessed to the Crown corporations with respect to the Council's net capital assets.

d) Fixed assets

Fixed assets are recorded at cost. Depreciation is provided for on a straight line basis at a rate of 20%.

3. Due to (from) Manitoba Crown corporations

	1990	1989
	(in thousands of dollars)	
Subsequent year levies received in advance	$ 92	
Past year levies repayable to (receivable from) corporations	39	$ (211)
	$131	$ (211)

4. Fixed assets

These are comprised entirely of office furniture and equipment:

	1990	1989
	(in thousands of dollars)	
Cost	$ 87	$ 18
Accumulated depreciation	15	2
	$ 72	$ 16

5. Pension costs and obligations

Employees of the Council are provided pension benefits by the Civil Service Superannuation Fund ("the Fund"). Under paragraph 6 of the Civil Service Superannuation Act, the Council is described as a "matching employer" and its contribution toward the pension benefits is limited to matching the employees' contributions to the Fund.

6. Lease commitments

The Council is committed under a premises lease expiring on April 30, 1995 to annual basic rental payments of approximately $30,000 and annual common area and operating costs of approximately $23,000.

7. Statement of cash flows

A statement of cash flows has not been included in these financial statements as no additional useful information would be provided by its inclusion.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Horse Racing Commission as at March 31, 1991 and the statements of revenue and expenditure and funds available for future operations and Government grant receipts and disbursements for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2 reflects that the Commission's unfunded pension liability as at March 31, 1991 was $60,617. Had this unfunded pension liability and the associated pension costs been recorded in the financial statements, the Commission's liabilities would have increased by $60,617, the funds available for future operations would have decreased by that amount, and the Commission's pension costs would have increased by $4,333 for the year ended March 31, 1991.

In our opinion, except for the failure to record the information referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
May 24, 1991

Exhibit A

THE HORSE RACING COMMISSION

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Current assets:		
Cash on hand and in bank	$ 188,063	$ 292,022
Grant receivable - Government of the Province of Manitoba	39,109	30,378
	227,172	322,400
Cash in bank - Funds held in trust (Note 4)	10,000	-
	$ 237,172	$ 322,400
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	$ 11,584	$ 19,049
Advance - Government of the Province of Manitoba (Note 3)	200,000	200,000
Deferred revenue	6,440	6,575
	218,024	225,624
Funds held in trust (Note 4)	10,000	-
Funds available for future operations, Exhibit B	9,148	96,776
	$ 237,172	$ 322,400

APPROVED BY THE COMMISSION

________________ Chairman

________________ Comptroller

THE HORSE RACING COMMISSION

Exhibit B

Statement of Revenue and Expenditure and Funds Available for Future Operations for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Revenue:		
Grant from the Government of the Province of Manitoba	$ 434,000	$ 434,000
Fees, licenses and fines (Note 5)	146,230	138,970
Interest	26,900	31,441
Sundry	519	77
	607,649	604,488
Expenditure:		
Advertising and promotion	2,804	2,082
Commissioners' per diem and honoraria	81,187	78,983
Drug, alcohol and security	25,757	30,805
Employee benefits	43,577	27,260
Equipment and office furniture	1,806	1,783
Equipment rentals	12,940	9,696
Health and post secondary education tax levy	-	3,808
Memberships and dues	6,950	6,227
Office	4,804	5,636
Professional fees	29,839	34,047
Recruiting costs	1,266	2,864
Repairs and maintenance	12,136	10,137
Research grant	5,000	5,000
Salaries:		
Administration	81,234	73,396
Security	37,694	24,815
Stewards and judges	240,462	220,650
Veterinarian services	67,324	64,763
Sundry	905	4,296
Telephone	7,881	8,528
Travel	31,711	27,899
	695,277	642,675
Expenditure over Revenue	(87,628)	(38,187)
Funds available for future operations at beginning of year	96,776	134,963
Funds available for future operations at end of year, Exhibit A	$ 9,148	$ 96,776

Exhibit C

THE HORSE RACING COMMISSION

Statement of Government Grant Receipts and Disbursements for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Grant received from the Government of the Province of Manitoba	$ 4,350,110	$ 4,432,687
Grants disbursed:		
Thoroughbred		
Overnight purse support	$ 2,555,396	$ 2,551,140
Owners/breeders incentive	561,841	586,453
C.T.H.S. administrative grant	43,375	43,375
Standardbred		
Overnight purse support	691,951	716,656
Owners/breeders incentive	234,745	281,234
M.S.S. & B.A. administration grant	14,500	4,500
Standardbred rural		
Overnight purse support	136,800	135,850
Owners/breeders incentive	62,834	63,358
Stakes program	20,000	20,000
Grants	16,568	18,721
Quarter Horse		
Overnight purse support	-	6,900
Stakes program	4,000	4,000
M.Q.H.S. administrative grant	500	500
Awards	7,600	-
	$ 4,350,110	$ 4,432,687

THE HORSE RACING COMMISSION

Notes to the Financial Statements
for the year ended March 31, 1991

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1. Nature of the operations

The objectives of the Commission are to govern, direct, control and regulate horse racing and the operations of horse race tracks in Manitoba. In addition, the Commission acts as a conduit for support grants between the Government of the Province of Manitoba and the horse racing industry.

The operating expenses of the Commission in excess of revenue derived from its regulatory activities are funded through an appropriation of the Government of the Province of Manitoba. Administrative grant monies drawn down in excess of actual expenses are retained by the Commission as "funds available for future operations". However, such funds available for future operations reduce subsequent administrative grant requirements.

2. Significant accounting policies

An accrual basis of accounting is followed except for:

i) Capitalization and depreciation

The costs of building renovations and purchases of equipment and office furniture are charged directly to operations. Accordingly depreciation is not provided for in the accounts.

ii) Pension liability and expense

In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Commission will be required to contribute 50% of the pension disbursement made to retired employees. Such payments are to be charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation Fund. Based on formulas provided in an actuarial report completed as at December 31, 1989, the unfunded liability on a non-indexed basis for the Commission's employees amounted to $ 60,617 as at March 31, 1991 ($ 56,284 - March 31, 1990).

iii) Support grants

Support grants are recorded on a cash basis and are reflected separately (Exhibit C) from the general administrative activities of the Commission.

2. iv) Vacation Benefits

Accrued vacation pay is not recorded. The unrecorded liability amounted to $ 27,242 as at March 31, 1991. ($ 23,804 - March 31, 1990).

3. Advance - Government of the Province of Manitoba

The working capital advance is provided interest free to the Commission by the Government of the Province of Manitoba.

4. Funds held in trust

Funds held in trust represent a liability incurred by arrangement with the Manitoba Standardbred Sires and Breeders Association (M.S.S. & B.A.) as part of the 1990/91 Breeder and Owners Incentive Program Award. It is planned that this liability will be paid in 1993/94. The costs were included in 1990/91 Standardbred Owner/Breeder incentive grants on Exhibit C.

5. Fees, licenses and fines

	1991	1990
Thoroughbred		
Daily licenses	$ 42,420	$ 34,800
Fees and licenses	49,970	50,360
Fines	3,410	3,980
	95,800	89,140
Teletheatre	7,350	2,800
Standardbred		
Daily licenses	23,410	26,625
Fees and licenses	9,675	10,065
Fines	9,995	10,340
	43,080	47,030
	$ 146,230	$ 138,970

6. Comparative Figures

Comparative figures have been restated where necessary to conform with the presentation adopted for the current year.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba, and

To the Shareholders of Leaf Rapids Town Properties Ltd.

We have audited the balance sheet of Leaf Rapids Town Properties Ltd. as at March 31, 1991 and the statements of income and deficit and changes in financial position for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As indicated in Note 8, continued operation of the Ruttan Mine beyond 1997 is seriously in doubt. As a result, continued operation of the Company beyond this date is also seriously in doubt unless a viable alternative can be identified. Accordingly, in our opinion, the net realizable value of the Company's fixed assets is significantly lower than the value reflected in the financial statements. If fixed assets continue to be depreciated in accordance with the rates described in note 2, the undepreciated balance would be approximately $2.4 million as at March 31, 1997. Due to the nature and location of the fixed assets, any residual value would be minimal in the event of discontinued operations of the townsite. Accordingly, a provision for loss on fixed assets on termination should be recorded in order to reflect fairly the financial position of the Company. A provision for loss on fixed assets would reduce the book value of fixed assets and increase the accumulated deficit of the Company.

In our opinion, except for the omission of a provision for loss on fixed assets as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
September 30, 1991

F. H. Jackson, CA
Provincial Auditor

LEAF RAPIDS TOWN PROPERTIES LTD.

Balance Sheet
March 31, 1991

ASSETS	1991	1990
Current Assets:		
Cash and short-term deposits	$ 728,927	$ 717,427
Accounts receivable, less allowance for doubtful accounts of $21,264 (1990 - $18,258)	50,624	28,712
Prepaid expense and supplies	35,134	28,704
	814,685	774,843
Developed lots held for resale (note 2(c))	1	1
Land, buildings and equipment, less accumulated depreciation and cost recoveries (notes 2(b) and 4)	3,947,589	4,289,277
Lease costs, net of amortization (note 2(d))	1,902	2,582
	$ 4,764,177	$ 5,066,703
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 118,301	$ 104,899
Current portion of long-term debt	275,329	254,581
	393,630	359,480
Long-term debt (note 5)	2,579,955	2,855,284
	2,973,585	3,214,764
SHAREHOLDER'S EQUITY		
Capital stock (note 3)	2,621,100	2,621,100
Deficit	(830,508)	(769,161)
	1,790,592	1,851,939
	$ 4,764,177	$ 5,066,703

LEAF RAPIDS TOWN PROPERTIES LTD.

Statement of Income and Deficit
Year Ended March 31, 1991

	1991	1990
Operations (Schedule 1):		
Revenue	$ 1,310,505	$ 1,273,160
Operating expenses	1,074,342	1,076,873
Depreciation and amortization	292,123	282,456
	1,366,465	1,359,329
Loss from operations before other expenses	55,960	86,169
Other expenses (income):		
Property tax on developed lots held for resale (note 2(c))	4,562	6,800
Interest income - net (note 6)	(45,293)	(35,046)
Corporation capital tax	11,330	10,416
Loss on land sales	34,788	-
	5,387	(17,830)
Loss for the year	61,347	68,339
Deficit, beginning of year	769,161	700,822
Deficit, end of year	$ 830,508	$ 769,161

LEAF RAPIDS TOWN PROPERTIES LTD.

Statement of Changes in Financial Position
Year Ended March 31, 1991

	1991	1990
Cash provided by (used for):		
Operating activities:		
Net loss	$ (61,347)	$ (68,339)
Items not involving cash:		
Depreciation and amortization	292,123	282,456
Loss on land sales	34,788	-
	265,564	214,117
Net change in non-cash working capital balances	(14,940)	3,019
	250,624	217,136
Financing activities:		
Decrease in long-term debt	(254,581)	(235,396)
Investing activities:		
Additions to land, buildings and equipment	(1,255)	(450)
Proceeds from sale of industrial park land	16,712	-
	15,457	(450)
Increase (decrease) in cash resources	11,500	(18,710)
Cash and short-term deposits, beginning of year	717,427	736,137
Cash and short-term deposits, end of year	$ 728,927	$ 717,427

LEAF RAPIDS TOWN PROPERTIES LTD.

Schedule of Operating Revenue and Expenses
Year Ended March 31, 1991

	Revenue from Operations	Operating Expenses	Depreciation and Amortization	Operating Income (Loss) 1991	Operating Income (Loss) 1990
Rental Property:					
Commercial:					
Town centre retail	$ 182,254	$ 9,724	$ 33,013	$ 139,517	$ 59,530
Town centre hotel	113,100	143,011	45,530	(75,441)	(55,216)
Commercial building	49,045	83,137	9,232	(43,324)	2,068
Industrial park	36,573	23,507	300	12,766	(3,883)
Mobile home park	29,332	15,602	-	13,730	11,036
Staff housing	16,554	9,939	2,112	4,503	5,206
Non-commercial:					
Recreation centre & municipal offices	186,942	60,592	126,350	-	-
Health centre	76,434	24,774	51,660	-	-
Administration of Town Centre complex:					
Common areas	282,826	280,761	23,509	(21,444)	(21,444)
Maintenance dept.	134,249	134,015	234	-	-
Property taxes	73,132	73,132	-	-	-
Insurance	25,682	25,682	-	-	-
Allied heating	44,071	44,071	-	-	-
General administration	60,311	146,395	183	(86,267)	(83,466)
	$ 1,310,505	$ 1,074,342	$ 292,123	$ (55,960)	$ (86,169)

1. Nature of Operations:

Leaf Rapids Town Properties Ltd. (formerly Leaf Rapids Development Corporation Ltd.) was incorporated in 1971 under The Manitoba Companies Act. It was charged with the responsibility for the planning, design and development of the community of Leaf Rapids.

Since the completion of the development, the Corporation has managed and operated its physical assets and properties in Leaf Rapids.

2. Summary of Significant Accounting Policies:

(a) Basis of accounting:

The accrual basis of accounting is being followed except for accounting for interest on income debentures as described below in 2(e) and for accrued vacation benefits in 2(f).

(b) Fixed assets:

Fixed assets are valued at cost, except for industrial park property and the town centre expansion site which are valued at the lesser of cost or net realizable value.

Depreciation on buildings and equipment is recorded at appropriate rates over the estimated useful lives of the related assets as follows:

Town Centre Building:

Retail, Whitewater Inn and common areas	2 1/2% straight-line
Commercial Building	5% straight-line
Staff housing	2 1/2% straight-line

Equipment:

Whitewater Inn - various rates from 10% to 20% straight-line
Other - various rates

Depreciation on the non-commercial component of the Town Centre Building, being the facilities leased to the Leaf Rapids School District, Leaf Rapids Health and Social Development Centre and the Town of Leaf Rapids, is recorded at amounts equivalent to the principal reduction of the Series B debentures. Basic rental payments made to the Corporation by these entities are equal to the required payments on the debentures. By March 31, 1995 sufficient funds will have been recovered to equal the total capital costs of these facilities.

(c) Developed lots held for resale:

Developed lots held for resale are valued at net realizable value. Property taxes and any other related costs are charged to operations.

(d) Lease costs:

Lease costs are amortized over the terms of the leases to which they relate.

(e) Interest expense on income debentures:

Interest expense on income debentures, calculated in accordance with the methodology outlined in note 5 to the financial statements, is recorded in the year it is paid.

(f) Vacation benefits:

It has not been the policy to record accrued vacation pay. The unrecorded liability amounted to $16,836 as at March 31, 1991. ($18,389 - March 31, 1990).

3. Capital Stock:

Authorized:

40,000 common shares, not to exceed $40,000
26,210 8.15% non-cumulative redeemable preferred voting shares, not to exceed $2,621,000.

	1991	1990
Issued and fully paid:		
100 common shares	$ 100	$ 100
26,210 preferred shares	2,621,000	2,621,000
	$ 2,621,100	$ 2,621,100

Ownership:

All issued shares are held by the Minister of Finance, Government of the Province of Manitoba.

LEAF RAPIDS TOWN PROPERTIES LTD.

Notes to Financial Statements
March 31, 1991

4. Land, Buildings and Equipment:

	Cost				
	Land and Buildings	Equipment	Accumulated Depreciation	Cost Recoveries	Net Book Value
Rental property:					
Commercial:					
Town Centre retail	$1,447,007	$	$ 522,128	$	$ 924,879
Town centre hotel	1,801,348	256,660	925,744		1,132,264
Commercial building	183,782		163,120		20,662
Mobile home park	142,881	6,540	6,540		142,881
Industrial park	204,179				204,179
Staff housing	82,881	10,598	39,945		53,534
Non-commercial:					
School and cinema	2,426,366			2,426,366	
Recreation and municipal	1,815,113			1,198,001	617,112
Health centre	742,136			489,821	252,315
Exhibition centre	132,554			132,554	
Other property:					
Town centre:					
Common areas	940,053	21,442	362,443		599,052
Expansion site	1				1
Other		31,424	30,714		710
	$9,918,301	$ 326,664	$2,050,634	$4,246,742	$3,947,589

5. Long-term Debt:

Long-term debt payable to the Government of the Province of Manitoba consists of:

(a) $2,000,000 Series A 8.15% first mortgage debentures secured by the Corporation's land, buildings and equipment, repayable by equal annual instalments of principal and interest in the amount of $122,525 to March 31, 1996.

(b) $2,557,251 Series B 8.15% first mortgage debentures secured by leases with the non-commercial tenants in the Town Centre, repayable by equal annual instalments of principal and interest in the amount of $263,376 to March 31, 1995, in accordance with the varying terms of the leases.

(c) $2,450,000 10% income debentures secured by a floating charge on all assets of the Corporation, second to the first mortgage debentures, repayable by annual instalments equal to one-half of the prior year's cash flow of the Corporation. Cash flow is determined as that generated from operations less principal repayments made on the Series A and B debentures. Each annual instalment is applied firstly against annual interest and any remaining balance against principal. Any unpaid interest as a result of such annual repayments is non-cumulative and accordingly has not been recorded in the Corporation's financial statements. Such unpaid interest amounted to $149,858 for the year ended March 31, 1991 (1990 - $148,109).

During the year ended March 31, 1991, the following transactions have taken place:

	Series A Debentures	Series B Debentures	Income Debentures	Total
Balance, March 31, 1990	$ 563,851	$ 1,047,437	$ 1,498,577	$ 3,109,865
Annual principal instalments	76,571	178,010	-	254,581
Balance, March 31, 1991	487,280	869,427	1,498,577	2,855,284
Less current portion	82,812	192,517	-	275,329
	$ 404,468	$ 676,910	$ 1,498,577	$ 2,579,955

6. Interest Income - Net:

	1991	1990
Interest income:		
Short-term deposits	$ 91,247	$ 88,519
Interest expense:		
Series A debentures	45,954	51,724
Income debentures (note 2 (e))	-	1,749
	45,954	53,473
	$ 45,293	$ 35,046

Interest expense on the Series B first mortgage debentures in the amount of $85,366 (1990 - $98,781) is included in operating expense in the statement of income and deficit.

Based on the cash flow of the Corporation for the year ended March 31, 1991, an interest payment on the income debenture in the amount of $5,492 will be paid and charged to expense in 1992.

7. Related Parties:

As previously noted, all issued shares of the Corporation are held by the Minister of Finance, Government of the Province of Manitoba. In addition to capital stock held, the long-term debt described in note 5 and the interest income and expense described in note 6, the Corporation has the following balances with the Government of the Province of Manitoba and its agencies reflected in these financial statements as at March 31:

	1991	1990
Short-term deposits	$ 720,030	$ 700,452
Accounts receivable	11,233	9,673
Accounts payable	17,096	19,081

8. Economic Dependence:

The ongoing viability of the Corporation depends significantly on the ongoing successful operation of the Ruttan Mine or an appropriate alternative. There is a possibility that in the next few years, should the Ruttan Mine close and an appropriate alternative not be found, the Corporation may be unable to continue realizing its assets and discharging its liabilities in the normal course of business. However, the Corporation expects to continue realizing its assets and discharging its liabilities at least until 1997 based on the operation of the Ruttan Mine.

9. Imputed Interest Cost Information:

The following information is supplied in accordance with a request of the Minister of Finance of the Government of the Province of Manitoba.

The annual borrowing cost to the Government, for its investment of $2,025,901 in share capital, as recorded in the Public Accounts, at the weighted average rate of interest paid by the Government in respect of its debt, is as follows:

	1991	1990
Interest rate	10.21%	10.60%
Borrowing cost	$206,845	$214,746

This borrowing cost has not been reflected in the Corporation's financial statements.

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet (Bilan) of Le Centre Culturel Franco Manitobain as at March 31, 1991 and the statement of changes in fund account balances (Evolution du solde des comptes des fonds) for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
July 25, 1991

F. H. Jackson, CA
Provincial Auditor

Manitoba

LE CENTRE CULTUREL FRANCO-MANITOBAIN
RAPPORT DU BUREAU DU VÉRIFICATEUR PROVINCIAL

À l'assemblée législative du Manitoba

Nous avons vérifié le bilan du Centre culturel franco-manitobain au 31 mars 1991 ainsi que l'évolution du solde des comptes des fonds pour l'exercice terminé à cette date. La responsabilité de ces états financiers incombe à la direction de la société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir un degré raisonnable de certitude quant à l'absence d'inexactitudes importantes dans les états financiers. La vérification comprend le contrôle par sondages des informations probantes à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers présentent fidèlement, à tous égards importants, la situation financière de la société au 31 mars 1991 ainsi que les résultats de son exploitation pour l'exercice terminé à cette date selon les principes comptables énoncés dans la note 2 des états financiers.

Fred H. Jackson

Winnipeg (Manitoba)
25 juillet, 1991

F. H. Jackson, CA
Vérificateur provincial

LE CENTRE CULTUREL FRANCO-MANITOBAIN

Bilan
au 31 mars 1991

ACTIF

	1991	1990
Actif à court terme:		
Encaisse	128,977 $	10,700 $
Placements		600,000
Subventions à recevoir	3,600	937
Autres débiteurs	27,718	12,460
Inventaires	28,685	22,913
Frais payés à l'avance	6,806	27,412
Intérêts courus		8,694
	195,786 $	683,116 $

PASSIF

	1991	1990
Passif à court terme :		
Créditeurs	56,736 $	16,026 $
Subventions reportées	146,145	614,355
Dépôts pour loyers et dommages	1,400	1,520
	204,281	631,901

COMPTES DES FONDS

	1991	1990
Comptes des fonds généraux :		
Opérations	(16,847)	10,357
Activités	(4,764)	912
	(21,611)	11,269
Comptes des fonds distincts :		
Capital		3,244
Prélèvement	4,032	29,460
Réserve	9,084	7,242
	13,116	39,946
	(8,495)	51,215
	195,786 $	683,116 $

LE CENTRE CULTUREL FRANCO-MANITOBAIN

Evolution du solde des comptes des fonds
pour l'exercice se terminant le 31 mars 1991

	Comptes des fonds généraux		Comptes des fonds distincts				
	Opérations	Activités (Note 5)	Capital	Prélèvement	Réserve	Total 1991	Total 1990
Recettes:							
Subventions:							
Gouvernement du Canada et ses organismes	2.211 $	206.405 $	478.141 $	$	$	686.757 $	194.919 $
Gouvernement du Manitoba et ses organismes	313,486	36.612	620.366	21.813		992.277	437.413
Subventions diverses	1,000	17,500	20.000			38.500	12.976
Café Jardin	218,669					218.669	209.963
Frais d'admission		24,040				24.040	19.325
Location des salles et des bureaux	93,335					93.335	117.974
Frais d'administration		17,422				17.422	20.172
Services techniques	18.863					18.863	21.287
Ventes aux étalages	14.783	2.373		20.047		37,203	46.236
Commissions	4,762	8,299				13.061	12.641
Intérets	8.629	5.875	23.861	1.697		40.062	53.774
Publicité		2,340		250		2.590	2.467
Commandites				11.200		11.200	11.300
Produits divers	6,273	10,739				17.012	17.671
	682,011	331,605	1.142,368	55.007		2.210,991	1,178,118
Dépenses :							
Opérations - note 3	503,193					503.193	504.005
Activités - note 3		367.821				367.821	363.865
Dépenses inputées au fonds de capital-note 4			1.145.612			1.145.612	94.374
Prélèvement :							
- Bingo				5.799		5.799	1.807
- Nevada				2.900		2.900	2.780
- Beaujolais				16.844		16.844	13.628
Café Jardin	228,532					228.532	202.243
	731,725	367,821	1,145,612	25,543		2.270,701	1.182,702
Exédent (déficit) par rapport aux dépenses	(49,714)	(36,216)	(3,244)	29,464		(59,710)	(4,584)
Transferts interfonds	22,510	30,540		(54,892)	1,842		
Evolution du solde des comptes des fonds	(27,204)	(5,676)	(3,244)	(25,428)	1,842	(59,710)	(4,584)
Solde au début de l'exercice	10,357	912	3,244	29,460	7,242	51.215	55,799
Solde à la fin de l'exercice	(16,847) $	(4,764) $	$	4,032 $	9,084 $	(8,495) $	51,215 $

CENTRE CULTUREL FRANCO-MANITOBAIN

Notes afférentes aux états financiers au 31 mars 1991

1. Renseignements généraux

Le Centre culturel franco-manitobain est constitué en corporation en vertu du chapitre C45 des lois de la province du Manitoba. La corporation a pour objectifs de maintenir, d'encourager, de stimuler et de parrainer, par tous les moyens que ce soit, les activités culturelles qui se déroulent en français, ainsi que de faire connaître la culture canadienne française à tous les habitants de la province.

2. Principes comptables

a) Les états financiers ont été préparés selon les principes comptables généralement reconnus sauf pour la paye de vacances courue qui n'a pas été accumulée, estimée à 28 000$ (1990 - 35 000$).

b) Achats d'immobilisations

Les achats d'immobilisations sont portés aux dépenses dans l'année d'acquisition.

c) Utilisation de l'édifice

L'utilisation de l'édifice est comptabilisée tel que décrit à la note 6.

d) Subventions reportées

Les subventions reçues pour les programmes ou projets spécifiques sont inscrites comme revenus dans la mesure où les dépenses correspondantes ont été engagées. Le solde est reporté aux années futures comme SUBVENTIONS REPORTEES sur le bilan.

e) Comptes des fonds

Les ressources financières de la corporation sont affectées aux divers projets correspondant aux activités et aux objectifs du Centre culturel franco-manitobain, comme suit:

Comptes des fonds généraux

1) Opérations - Opérations liées notamment à l'entretien des installations, au fonctionnement général de la corporation et du Café Jardin, ainsi qu'à l'acquisition de biens d'immobilisations accessoires. Soixante pour cent des profits du Café Jardin est viré annuellement au compte de fonds prélèvement.

2) Activités - Opérations liées notamment à la mise en oeuvre des activités culturelles mentionnées dans les objectifs de la corporation. Annuellement, la corporation détermine la valeur des locaux utilisés pour la programmation culturelle selon les taux normalement chargés aux autres locataires. Cette somme est transférée au compte de fonds opérations.

Principes comptables (suite)

Comptes des fonds distincts

1) Capital - Opérations liées notamment à l'acquisition de biens d'immobilisation financés en grande partie au moyen de subventions d'immobilisation.

2) Prélèvement - Opérations liées notamment aux campagnes de financement. Dix pour cent de l'excédent par rapport aux dépenses du compte prélèvement, sauf les commandites, est viré annuellement au compte de fonds réserve. Le solde doit être utilisé pour subventionner des activités culturelles.

3) Réserve - Créée pour accueillir les virements du compte de fonds prélèvement. Le solde accumulé dans ce compte servira à combler tout déficit qui surviendrait dans le compte de fonds opérations ou le compte de fonds activités par suite de circonstances exceptionnelles.

f) Inventaire

L'inventaire est évalué en fonction du coût* ou de la valeur de réalisation nette, selon le moins élevé des deux. (*On utilise pour cela la méthode de l'épuisement successif.)

CENTRE CULTUREL FRANCO-MANITOBAIN

Notes afférentes aux états financiers au 31 mars 1991

3. Dépenses imputées aux comptes des fonds opérations et activités

	1991			1990
	Opérations	Activités	Total	Total
Salaires et Bénifices	314,594 $	221,100 $	535,694 $	517,577
Contrats d'emplois		76,425	76,425	78,103
Régime des Rentes	16,169		16,169	7,931
Services publics	59,294		59,294	64,773
Location et entretien d'équipement	24,514	8,470	32,984	29,747
Dépenses de bureau	13,397	15,214	28,611	34,244
Achat d'équipement	4,833	600	5,433	4,528
Matériel d'entretien	14,941	8,665	23,606	27,396
Achats pour les étalages de vente	4,718		4,718	9,229
Réunion et déplacements	11,198	10,681	21,879	28,101
Relations publiques/Publicité	3,680	14,560	18,240	19,327
Honoraires	26,185	7,500	33,685	22,440
Assurance et permis	3,877	1,953	5,830	7,853
Cours	1,378	830	2,208	3,080
Divers	4,415	1,823	6,238	13,541
	503,193 $	367,821 $	871,014 $	867,870

4. Dépenses imputées aux comptes des fonds capitaux

	1991	1990
Rénovation de la salle Jean-Paul-Aubry	1,100,031 $	77,913 $
Equipements et réparations divers	26,291	
Installations	10,727	14,959
Rénovation rez-de-chaussé	8,563	
Equipement d'entretien		1,502
	1,145,612 $	94,374 $

5. Les opérations liées aux activités offertes dans le cadre des programmes culturels sont inscrites selon le type d'opération. Ces opérations peuvent aussi être présentées par activité ou programme, comme suit:

	Recettes	Dépenses
Administration générale des programmes	98,777 $	92,611 $
Programmes d'information	45,900	48,810
Activités communautaires	123,219	150,388
Arts et artisanat	38,416	40,053
Projets spéciaux	16,993	16,673
La Boutique	8,300	19,286
	331,605 $	367,821 $

6. Le bâtiment utilisé par la corporation appartient au gouvernement du Manitoba qui ne demande pas de loyer à la corporation. Celle-ci doit prendre en charge tous les frais d'exploitation et d'entretien, à l'exception de l'assurance responsabilité civile souscrite par la Province.

Afin de limiter au minimum l'apport de la Province, la corporation demande un loyer à tous les organismes qui se servent de ses locaux. Ces revenus sont portés au crédit du compte de fonds opérations et servent à couvrir, en partie, les frais d'exploitation de la corporation.

7. Engagement

Au 4 mars 1991, la Corporation a signé un contrat avec un contracteur au montant de 76,891$ pour des rénovations majeures aux installations physiques.

8. Lorsque cela était nécessaire, nous avons redressé les chiffres correspondants de l'exercice terminé le 31 mars 1990 afin de nous conformer à la présentation adoptée pour l'exercice se terminant le 31 mars 1991.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the statement of fund of The Legal Aid Services Society of Manitoba as at March 31, 1991 and the statement of receipts and disbursements for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the cash position of the Fund of The Legal Aid Services Society of Manitoba as at March 31, 1991 and the results of its cash operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
August 9, 1991

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Statement of Fund
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Fund balance beginning of year	$ 38,587	$ 30,319
(Deficiency) Excess of receipts over disbursements	(6,471)	8,268
Fund balance end of year	$ 32,116	$ 38,587
Fund balance represented by:		
Cash on hand and in bank	$ 389,867	$ 1,141,377
Outstanding reimbursement from the Government of the Province of Manitoba (Note 2.a)	1,250,000	360,000
Cheques issued and outstanding (Note 2.a)	(1,607,751)	(1,462,790)
Fund balance end of year	$ 32,116	$ 38,587

The accompanying schedules and notes are an integral part of these financial statements.

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Statement of Receipts and Disbursements for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Receipts:		
Government of the Province of Manitoba (Note 4)	$11,045,087	$ 10,944,303
The Manitoba Law Foundation (Note 5)	2,319,508	1,998,050
Government of Canada (Note 6)	196,343	128,809
Contributions from clients	363,763	228,698
Recoveries (Note 7)	157,343	191,480
Judgement costs and settlements	34,549	34,254
Interest income	75,212	51,744
Other	2,537	1,548
Total receipts	14,194,342	13,578,886
Disbursements (Note 2.a):		
Private bar fees and disbursements:		
Legal aid certificates	8,528,267	8,121,009
Duty counsel services	74,629	80,385
	8,602,896	8,201,394
Community Law Centres, Schedule 1	3,656,022	3,495,588
Public Interest Law Centre, Schedule 2	267,397	294,502
University Law Centre, Schedule 3	68,730	66,241
Northern Para-legal Project	-	63,677
Designated Counsel, Schedule 4	69,576	68,254
General and administrative, Schedule 5	1,536,192	1,380,962
Total disbursements	14,200,813	13,570,618
(Deficiency) Excess of receipts over disbursements	$ (6,471)	$ 8,268

The accompanying schedules and notes are an integral part of these financial statements.

SCHEDULE 1

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Community Law Centres
Schedule of Disbursements
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Advertising and information	$ 536	$ 1,253
Certificate disbursements	123,331	88,870
Data processing	21,490	23,912
Duplicating services and supplies	41,256	33,833
Fly-in duty counsel program - travel	38,513	35,640
Furniture, equipment and leasehold improvements - net of disposals	24,947	3,608
Health and post secondary education tax levy	58,444	57,778
Library	28,923	36,221
Maintenance	25,219	20,381
Meetings and seminars	18,064	23,189
Office and postage	126,284	113,397
Office relocation	2,518	-
On-call Costs	8,245	-
Rent	178,807	157,189
Salaries and benefits - professional	2,169,163	2,147,338
- clerical	577,405	550,031
Staff recruitment	7,868	6,570
Stationery and forms	4,729	4,536
Sundry	1,394	2,038
Telephone	90,856	102,362
Travel	91,715	75,179
Utilities	16,315	12,263
Total	$ 3,656,022	$ 3,495,588

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Public Interest Law Centre
Schedule of Disbursements
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Expert witnesses and consultants	$ 7,916	$ 56,273
Charter conference	3,493	-
File disbursements	13,326	11,312
Furniture and equipment	400	92
Health and post secondary education tax levy	4,299	4,192
Library	1,962	-
Meetings and seminars	1,548	1,628
Office and postage	2,594	1,580
Rent	19,444	16,752
Salaries and benefits	205,045	194,849
Sundry	1,033	2,893
Travel	6,337	4,931
Total	$ 267,397	$ 294,502

SCHEDULE 3

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

University Law Centre
Schedule of Disbursements
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Certificate disbursements	$ 2,213	$ 1,775
Duplicating services and supplies	594	655
Health and post secondary education tax levy	903	855
Office and postage	1,808	1,513
Salaries and benefits - professional	27,966	29,446
- clerical	28,143	25,582
Stationery and forms	367	-
Sundry	39	52
Telephone	3,420	3,336
Travel	3,277	3,027
Total	$ 68,730	$ 66,241

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Designated Counsel
Schedule of Disbursements
for the year ended March 31, 1991

	1991	1990
Certificates disbursements	$ 475	$ 217
Duplicating services and supplies	1,407	1,027
Furniture and equipment - rental	2,622	6,685
Health and post secondary education tax levy	1,011	916
Library	235	855
Maintenance	682	669
Meetings and seminars	831	200
Office and postage	3,332	3,150
Rent	6,364	5,833
Salaries and benefits - professional	37,144	34,876
- clerical	11,856	10,226
Stationery and forms	137	122
Telephone	1,881	2,758
Travel	1,211	363
Utilities	388	357
Total	$ 69,576	$ 68,254

SCHEDULE 5

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Schedule of General and Administrative Disbursements for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Advertising and information	$ 15,463	$ 11,477
Bank charges	4,340	1,933
Collections	1,586	3,375
Data processing	45,490	39,403
Directors' fees and expenses	16,874	19,189
Duplicating services and supplies	19,969	15,866
Filing fees	40,107	4,402
Furniture, equipment and leasehold improvements - net of disposals	5,062	5,147
Health and post secondary education tax levy	23,169	21,588
Library	8,291	6,973
Maintenance	1,349	1,058
Meetings and seminars	10,087	4,088
Office and postage	68,459	61,269
Professional fees	12,970	13,120
Rent	97,709	94,194
Salaries, honoraria and benefits	1,073,134	993,519
Staff recruitment	-	1,997
Stationery and forms	35,449	28,364
Sundry	1,274	1,498
Telephone	36,238	34,496
Travel	14,648	11,955
Utilities	4,524	6,051
Total	$ 1,536,192	$ 1,380,962

THE LEGAL AID SERVICES SOCIETY OF MANITOBA

Notes to Financial Statements
for the year ended March 31, 1991

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1. Objective of the Society

The objective of the Society is to assist individuals, groups and organizations who, left to their own means, could not afford to retain the services of a lawyer. Clients may be charged a fee based on their ability to pay.

Legal aid may be furnished to groups and organizations involving matters of an interest common to members of the group and relating to issues of public interest such as, but not restricted to, consumer and environmental issues.

Legal aid may be provided to wards of agencies if they would otherwise be eligible for legal aid. The cost of the legal aid provided is recovered from the agencies.

2. Significant Accounting Policies

a) Cash Basis of Accounting

The Society presents its financial statements on a cash basis with the following exceptions:

i) The Society takes into receipts, grants received from the Government of the Province of Manitoba after the end of the fiscal year when these are paid by the Government out of funds voted for the year them ended.

ii) The Society records as disbursements, payments made after the end of the fiscal year, when these are reimbursed by the Government out of funds voted for the year then ended. The payments are included in cheques issued and outstanding shown in the Statement of Fund.

b) Fixed Assets

Fixed assets are charged to operations in the year acquired.

c) Pensions

In accordance with the provisions of The Manitoba Civil Service Superannuation Act, the Society contributes 50% of the pension disbursements made to retired employees. Such payments are charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation Fund. Based on actuarial reports prepared at December 31, 1989, the unfunded liability on an indexed basis for the Society's employees amounted to $2,407,000 as at March 31, 1991 (1990 - $1,978,000).

d) Salary Related Costs

Staff benefits and other salary related costs are paid directly out of an appropriation of the Government of the Province of Manitoba and are handled by the Society as described below.

Where the amounts of a particular salary related cost are readily determinable, the amount is shown as a receipt from the Government of the Province of Manitoba and as an expenditure in the appropriate disbursement category. The salary related costs recorded in this manner are pension costs as described in Note 2 c), unemployment insurance, Canada Pension Plan, group life insurance, accidental death and disablement insurance, Workers Compensation Board assessments and the health and post secondary education tax levy.

Where the amounts of a particular salary related cost are not readily determinable, these costs are excluded from the Statement of Receipts and Disbursements. The salary related costs which are handled in this manner are dental plan and long-term disability payments.

e) Vacation Benefits

Accrued vacation pay is not recorded. The unrecorded liability as at March 31, 1991 is approximately $379,400 (1990 - $355,100).

LEGAL AID SERVICES SOCIETY OF MANITOBA

Notes to Financial Statements
for the year ended March 31, 1991

3. General and Administrative Expenses

General and administrative expenses incurred to provide services of the Society's various programs are reflected in the Schedule of General and Administrative Disbursements.

4. Government of the Province of Manitoba Receipts:

	1991	1990
Grants (Note 2.a)	$ 7,141,186	$ 7,090,257
Salaries and other payments	3,686,104	3,651,575
Health and post secondary education tax levy - Civil Service Commission	82,925	82,160
Employer portion of employee benefits - Civil Service Commission	134,872	120,311
	$11,045,087	$10,944,303

5. The Manitoba Law Foundation Receipts:

	1991	1990
Grant	$ 2,042,508	$ 1,734,630
Public Interest Law Centre	210,000	200,000
University Law Centre	67,000	63,420
	$ 2,319,508	$ 1,998,050

6. Government of Canada Receipts:

	1991	1990
Northern Para-legal Project	$ -	$ 10,000
Expanded Eligibility	142,985	46,870
Designated Counsel	53,358	71,939
	196,343	$ 128,809

Notes to Financial Statements
for the year ended March 31, 1991

7. Recoveries Receipts:

	1991	1990
Wards of agencies	$ 105,017	$ 97,108
Private bar fees	24,632	30,914
Public Interest Law Centre	27,694	63,186
Insurance claim	-	272
	$ 157,343	$ 191,480

8. Significant Receivables, Prepaid Expenses, Liabilities and Commitments

a) Receivables

Approximate accounts receivable respecting contributions, recoveries and judgements, without providing an allowance for doubtful accounts, amounted to $422,000 for the year ended March 31, 1991 (1990 - $ 372,000).

b) Prepaid Expenses

Prepaid expenses respecting law society fees and insurance amounted to $72,200 for the year ended March 31, 1991 (1990 - $ 55,900).

c) Liabilities

	1991	1990
Approximate liability for legal aid certificate billings received but unpaid	$ 96,500	$ 60,500
Approximate liability for unpaid operating expenses	18,450	16,080
	$ 114,950	$ 76,580

d) Commitments

Lease

i) The Society rents facilities under operating leases. The aggregate annual rental of the commitments under the leases, which expire at varying dates to March 31, 1994, are:

1992	$ 213,734
1993	136,405
1994	111,051
	$ 461,190

Private Bar

ii) Estimated total commitments for future billings on outstanding legal aid certificates amounted to $7,671,000 as at March 31, 1991 (1990 - $6,683,000).

9. Comparative Figures

Certain comparative figures on the financial statements have been restated to conform with the presentation of the current year.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Liquor Control Commission as at March 31, 1991 and the statements of income and changes in financial position for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2 reflects that the Commission's unfunded pension liability as at March 31, 1991 was $17,794,000. Had this unfunded pension liability and the associated pension costs been recorded in the financial statements, the Commission's liabilities would have increased by $17,794,000. The net profit payable to the Province of Manitoba over the years would have decreased in total by that amount, of which $1,159,000 relates to pension costs for the year ended March 31, 1991.

In our opinion, except for the failure to record the information referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 20, 1991

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE LIQUOR CONTROL COMMISSION

BALANCE SHEET
AS AT MARCH 31, 1991
($000's)

ASSETS

	1991	1990
Current Assets:		
Cash on hand and in banks	$ 3,695	$ 2,596
Accounts receivable - claims and other	1,370	293
Inventory (Note 3)	13,536	14,639
Prepaid expenses and supplies	439	375
	$19,040	$17,903

LIABILITIES

	1991	1990
Current Liabilities:		
Accounts payable - trade and other	$10,375	$ 9,013
Net profit payable to the Province of Manitoba	1,985	2,416
Goods & Services Tax payable	892	-
Manitoba Retail Sales Tax payable	763	1,443
Environmental Protection Tax payable	104	109
Deferred licence fees	421	422
	14,540	13,403
Non-interest bearing working capital advance provided by the Province of Manitoba	4,500	4,500
	$19,040	$17,903

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE LIQUOR CONTROL COMMISSION

STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 1991
($000's)

	1991	1990
Sales:		
Stores and liquor vendors (Note 4)	$168,384	$173,849
Licensees	179,704	186,493
	348,088	360,342
Cost of Sales:		
Stores, liquor vendors, licensees	192,609	196,920
Gross profit	155,479	163,422
Other income (Note 5)	7,305	8,570
	162,784	171,992
General and administrative expenses (Note 6)	25,751	24,490
Operating profit before fixed assets charged to operations	137,033	147,502
Fixed assets charged to operations (Notes 2 and 7)	1,474	1,553
Net profit paid or payable to the Province of Manitoba	$135,559	$145,949

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE LIQUOR CONTROL COMMISSION

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 1991
($000's)

	1991	1990
Cash Receipts:		
Sales - spirits, wine, coolers/ciders & beer	$348,088	$360,342
Annual and supplementary licence fees and other	7,150	9,136
Manitoba Retail Sales Tax	17,504	20,447
Goods & Services Tax	4,685	-
Environmental Protection Tax	1,560	1,067
	378,987	390,992
Cash Disbursements:		
Purchases - merchandise, federal duty, excise and sales taxes, etc.	191,105	196,553
General and administrative expenses	25,768	24,753
Fixed assets charged to operations	1,483	1,557
Manitoba Retail Sales Tax	18,184	20,572
Goods & Services Tax	3,792	-
Environmental Protection Tax	1,565	958
	241,897	244,393
Net cash available for transfer	137,090	146,599
Transfers to Minister of Finance:		
Current year profit	133,574	143,533
Prior year profit	2,417	1,902
	135,991	145,435
Excess of receipts over disbursements/transfers	1,099	1,164
Cash on hand and in banks, beginning of the year	2,596	1,432
Cash on hand and in banks, end of the year	$ 3,695	$ 2,596

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE LIQUOR CONTROL COMMISSION

SCHEDULE OF SALES, COST OF SALES AND GROSS PROFIT FOR THE YEAR ENDED MARCH 31, 1991

($000's)

	Spirits	Wine	Coolers/ Ciders	Beer	Total
Sales:					
Stores and liquor vendors	$117,722	$ 32,454	$ 3,766	$ 14,442	$168,384
Licensees	21,950	7,531	585	149,638	179,704
Total Sales for 1991	$139,672	$ 39,985	$ 4,351	$164,080	$348,088
Total Sales for 1990	$145,448	$ 39,414	$ 4,957	$170,523	$360,342
Cost of Sales:					
Total Cost of Sales for 1991	$ 62,327	$ 18,458	$ 2,468	$109,356	$192,609
Total Cost of Sales for 1990	$ 64,407	$ 17,900	$ 2,800	$111,813	$196,920
Gross Profit for 1991	$ 77,345	$ 21,527	$ 1,883	$ 54,724	$155,479
Gross Profit for 1990	$ 81,041	$ 21,514	$ 2,157	$ 58,710	$163,422
Gross Profit as a Percentage of Sales for 1991	55.4	53.8	43.3	33.4	44.7
Gross Profit as a Percentage of Sales for 1990	55.7	54.6	43.5	34.4	45.4

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE LIQUOR CONTROL COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1991
($000's)

1. NATURE OF ORGANIZATION

The Liquor Control Commission was formed in 1923 as an agency of the Government of Manitoba under the Government Liquor Control Act. The Commission's mandate is to purchase, sell and regulate alcoholic beverages; to determine locations for retail liquor outlets; to licence and regulate facilities used by the consuming public; to provide revenue to the Province from the activities of the Commission; and to do all such things necessary to effect the provisions of The Liquor Control Act.

2. ACCOUNTING POLICIES

The Commission follows generally accepted accounting principles with the following modifications:

a. Fixed Assets

Fixed assets are charged to operations in the year acquired.

b. Pensions

In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Commission contributes 50% of the pension disbursements made to retired employees. Such payments are charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation fund. Based on formulas provided in an actuarial report completed as at December 31, 1989, the unfunded liability on a non-indexed basis for the Commission's employees amounted to $17,794 as at March 31, 1991 (1990 - $16,635).

c. Vacation Benefits

Accrued vacation pay is not recorded. The unrecorded liability as at March 31, 1991 is approximately $1,284 (1990 - $1,219).

3. INVENTORY AT COST

	1991	1990
In bond merchandise	$ 7,667	$ 8,137
Duty paid merchandise	5,869	6,502
	$ 13,536	$ 14,639

The amount of unpaid and unrecorded Customs, Excise duties and Sales tax on owned merchandise held in bond was approximately $3,576 at March 31, 1991 (1990 - $3,828).

4. SALES - STORES AND LIQUOR VENDORS

	1991	1990
Sales to liquor vendors	$ 31,320	$ 32,322
Discounts	(2,693)	(2,721)
	28,627	29,601
Store sales	139,757	144,248
	$168,384	$173,849

5. OTHER INCOME

	1991	1990
Border point levies	$2,992	$2,048
Supplementary licence fees	1,816	3,768
Occasional permits additional fees	1,324	1,467
Annual licence fees and licence application fees	453	454
Occasional permits	444	490
Miscellaneous	276	343
	$7,305	$8,570

6. GENERAL AND ADMINISTRATIVE EXPENSES

	1991	1990
Salaries and benefits	$16,406	$15,366
Leased premises - rentals (Note 8)	2,558	2,280
Superannuation	1,188	1,176
Maintenance and repairs	913	832
Delivery charges	868	972
Utilities	704	674
Printing, postage and supplies	610	672
Grants in lieu of taxes	507	506
Health and post secondary education tax levy	351	334
Travelling	265	258
Equipment rentals (Note 8)	235	258
Protective services	197	185
Informational programs	188	288
Product analysis	165	182
Crown Corporations Council levy	159	54
Miscellaneous	143	147
Staff training	141	115
Board of Commissioners - salaries and expenses	60	61
Audit, legal and other professional fees	52	85
Licensing Board - salaries and expenses	41	45
	$25,751	$24,490

7. FIXED ASSETS

	1991	1990
Fixed assets charged to operations:		
Systems development	$ 633	$ 557
Leasehold improvements	408	470
Equipment and furnishings	334	465
Automobiles	99	61
	$1,474	$1,553

8. LONG-TERM LEASES

a. The Commission leases its head office and 13 other buildings from the Government of the Province of Manitoba for the nominal sum of two dollars effective August 1, 1985, for a period of 99 years.

b. The Commission leases another 39 buildings. Leases have expiry dates ranging from 1991 to 2008.

The future minimum lease payments for each of the next five years are as follows:

Year Ending March 31	
1992	$2,021
1993	1,902
1994	1,782
1995	1,452
1996	1,135

c. The Commission leases Hewlett-Packard computer equipment. Leases on the Hewlett-Packard computer equipment have expiry dates ranging from 1991 to 1995.

The future minimum lease payments for each of the years to the expiry of the contracts are as follows:

Year Ending March 31	
1992	$252
1993	238
1994	226
1995	211
1996	153

9. COMPARATIVE FIGURES

Prior year's comparative figures have been restated to conform to the classifications adopted for the fiscal year ended March 31, 1991.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Agricultural Credit Corporation as at March 31, 1991 and the statements of revenue and expenditure and the statements of receipts and disbursements for the year then ended for The Agricultural Credit Corporation Act and Part III of The Fisheries Act. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In accordance with its accounting policy, as reflected in Note 2 a) iii), the Corporation's unfunded pension liability at March 31, 1991 in the amount of $2,831,011, and the related pension costs have not been reflected in these financial statements. In our opinion this accounting policy is not appropriate, because the obligations of the Corporation are not fully disclosed. If the unfunded pension liability and the associated pension costs had been recorded, the Corporation's liabilities and its deficit each would have been increased by $2,831,011. Also, the Corporation's pension costs for the year ended March 31, 1991 would have been increased by $322,594.

In our opinion, except for the failure to record unfunded pension liabilities and pension costs as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations and its receipts and disbursements for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
February 28, 1992

F. H. Jackson, CA
Provincial Auditor

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

Balance Sheet
as at March 31, 1991

ASSETS	1991	1990
The Agricultural Credit Corporation Act		
Cash (Note 3)	$ 7,279,495	$ 9,183,327
Accounts receivable (Note 4)	731,992	1,059,129
Other receivables (Note 9 a)):		
Stocker program advances (Note 5)	3,763,261	2,177,121
Mortgages, chattels and agreements for sale (Note 6)	229,853,430	211,835,874
Promissory notes (Note 7)	169,484	191,599
Security agreements (Note 8)	22,364	170,376
	233,808,539	214,374,970
Real estate (Notes 2 c) and 12)	25,173,379	23,243,145
Unamortized debt discount and expense	30,242	36,608
	267,023,647	247,897,179
Part III of The Fisheries Act		
Cash on deposit with the Minister of Finance	264,767	571,525
Prepaid expenses	452	3,440
Loans receivable (Note 9 b))	9,216,600	7,729,354
	9,481,819	8,304,319
	$276,505,466	$256,201,498

EXHIBIT A

LIABILITIES AND DEFICIT

	1991	1990
The Agricultural Credit Corporation Act		
Accounts payable:		
The Province of Manitoba	$ 372,981	$ 323,980
Other	2,436,035	1,783,833
Provision for losses on guaranteed operating loans (Note 14 b))	1,475,000	1,362,866
Advances from the Province of Manitoba (Note 10 a))	267,052,968	251,847,670
Total Liabilities	271,336,984	255,318,349
Deficit account:		
Balance at beginning of year	(7,421,170)	(13,758,429)
Excess of revenue over expenditure, Exhibit B	3,107,833	6,337,259
Balance at end of year	(4,313,337)	(7,421,170)
	267,023,647	247,897,179
Part III of The Fisheries Act		
Accounts payable	54,757	13,405
Advances from the Province of Manitoba (Note 10 b))	9,870,187	8,705,775
Total Liabilities	9,924,944	8,719,180
Deficit account:		
Balance at beginning of year	(414,861)	(398,314)
Excess of expenditure over revenue, Exhibit C	(28,264)	(16,547)
Balance at end of year	(443,125)	(414,861)
	9,481,819	8,304,319
	$276,505,466	$256,201,498

The accompanying notes are an integral part of these financial statements.

EXHIBIT B

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

The Agricultural Credit Corporation Act
Statement of Revenue and Expenditure
for the year ended March 31, 1991

	1991	1990
Revenue:		
Interest:		
Mortgages, chattels and agreements for sale	$ 19,015,910	$ 18,409,854
Promissory notes	68,985	98,994
Stocker program advances	374,266	278,965
Security agreements	16,398	72,074
Cash on deposit with the Minister of Finance	814,512	835,029
	20,290,071	19,694,916
Grant from the Province of Manitoba	11,609,973	15,509,472
Services donated by Province of Manitoba (Note 11)	126,000	110,000
Real estate (Note 12)	1,636,439	1,932,776
Other	26,056	29,316
	33,688,539	37,276,480
Expenditure:		
Administration costs:		
Salaries	$ 2,252,548	$ 1,866,792
Bad debts (Note 9 a)	891,742	2,964,701
Guaranteed loan losses	755,068	605,961
Real estate carrying costs (Note 12)	457,752	550,329
Assistance under the Manitoba Mediation Board Program	493,975	430,947
Other administration costs	1,010,103	919,622
	5,861,188	7,338,352
Financing charges:		
Interest on advances from the Province of Manitoba, service charges and amortization of debt discount and expense	24,719,518	23,600,869
	30,580,706	30,939,221
Excess of revenue over expenditure, Exhibit A	$ 3,107,833	$ 6,337,259

The accompanying notes are an integral part of these financial statements.

EXHIBIT C

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

Part III of The Fisheries Act
Statement of Revenue and Expenditure
for the year ended March 31, 1991

	1991	1990
Revenue:		
Loan interest	$ 995,140	$ 762,875
Grant from the Province of Manitoba	696,964	664,999
	1,692,104	1,427,874
Expenditure:		
Administration costs:		
Salaries	305,120	276,068
Employee benefits	30,629	30,048
Audit fees	6,240	11,460
Bad debts (Note 9 b))	40,381	34,641
Rental of office premises	18,376	17,975
Telephone	13,706	13,350
Travelling	28,026	23,583
Decentralization	6,809	-
Insurance on loans	23,419	-
Other administration costs	23,208	27,042
	495,914	434,167
Financing charges:		
Interest on advances from Province of Manitoba	1,224,454	1,010,254
	1,720,368	1,444,421
Excess of expenditure over revenue, Exhibit A	$ 28,264	$ 16,547

The accompanying notes are an integral part of these financial statements.

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

The Agricultural Credit Corporation Act
Statement of Receipts and Disbursements
for the year ended March 31, 1991

	1991	1990
Receipts:		
Advances from the Province of Manitoba	$ 34,800,000	$ 28,000,000
Collections on account of mortgages, chattels and agreements for sale:		
Principal	10,501,458	8,121,937
Interest	21,692,404	25,243,122
Other charges	2,933,119	1,894,072
	35,126,981	35,259,131
Collections on account of promissory notes:		
Principal	50,008	33,878
Interest	147,080	120,999
	197,088	154,877
Collections on account of stocker program advances receivable:		
Principal	3,723,189	3,302,341
Interest	319,668	261,472
	4,042,857	3,563,813
Collections on account of security agreements receivable:		
Principal	158,955	857,686
Interest	31,244	84,270
	190,199	941,956
Collections on account of Manitoba Interest Rate Relief Program (Note 15):		
Principal	503,374	601,763
Interest	260,302	308,724
	763,676	910,487
Interest on cash on deposit with the Minister of Finance	814,512	835,029
Carried forward	$ 75,935,313	$ 69,665,293

EXHIBIT D

	1991	1990
Disbursements:		
Mortgages and agreements for sale	$ 33,395,742	$ 26,582,331
Promissory notes	47,251	2,170
Stocker program	5,320,259	3,382,430
Land and building purchases	16,092	4,020
Security agreements	3,567	316,579
Sundry charges on account of mortgages	2,667,148	1,613,679
Taxes charged on land leasing	85,165	98,782
Young farmer rebates	2,518,049	2,276,410
Financing charges paid to the Province of Manitoba		
Interest on advances and service charges	24,750,028	23,514,928
Payment to the Province of Manitoba of collections on account of Manitoba Interest Rate Relief Program (Note 15):		
Principal	502,455	776,119
Interest	242,828	282,741
	745,283	1,058,860
Carried forward	$ 69,548,584	$ 58,850,189

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

The Agricultural Credit Corporation Act
Statement of Receipts and Disbursements
for the year ended March 31, 1991

	1991	1990
Receipts:		
Brought forward	$ 75,935,313	$ 69,665,293
Grant from Province of Manitoba	11,609,973	15,509,472
Proceeds from sale of real estate	2,389,473	4,701,734
Collections on account of land leasing	1,702,059	1,640,392
Administration costs recovered under Manitoba Interest Rate Relief Program (Note 15)	38,011	36,103
Miscellaneous	5,455	225,192
Insurance claim proceeds	-	32,800
Total cash receipts	91,680,284	91,810,986
Cash on hand, in bank and on deposit with the Minister of Finance at beginning of year	9,183,327	4,878,810
	$100,863,611	$ 96,689,796

The accompanying notes are an integral part of these financial statements.

EXHIBIT D

	1991	1990
Disbursements:		
Brought forward	$ 69,548,584	$ 58,850,189
Repayment of capital advances from the Province of Manitoba	19,594,702	24,498,376
Administration costs	4,394,876	4,151,312
Miscellaneous	45,954	6,592
Total cash disbursements	93,584,116	87,506,469
Cash on hand, in bank and on deposit with the Minister of Finance at end of year	7,279,495	9,183,327
	$100,863,611	$ 96,689,796

EXHIBIT E

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

Part III of The Fisheries Act
Statement of Receipts and Disbursements
for the year ended March 31, 1991

	1991	1990
Receipts:		
Province of Manitoba:		
Advances	$ 1,200,000	$ 2,150,000
Grant	661,377	641,640
	1,861,377	2,791,640
Collections on account of loans:		
Principal	2,390,799	3,621,501
Interest	656,280	661,992
	3,047,079	4,283,493
Total cash receipts	4,908,456	7,075,133
Cash on deposit with the Minister of Finance at beginning of year	571,525	23,277
	$ 5,479,981	$ 7,098,410
Disbursements:		
Loans	$ 3,579,597	$ 5,127,511
Administration costs	411,163	481,250
Interest on advances from the Province of Manitoba	1,224,454	918,124
Total cash disbursements	5,215,214	6,526,885
Cash on deposit with the Minister of Finance at end of year	264,767	571,525
	$ 5,479,981	$ 7,098,410

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

The Manitoba Agricultural Credit Corporation is incorporated under a specific statute of the Province of Manitoba, being Chapter A-10 of the Revised Statutes of Manitoba, 1987.

The Corporation carries out the following programs:

a) It provides and administers financial assistance to farmers to assist in the development of farms under the Agricultural Credit Corporation Act;

b) It provides and administers loans to commercial fishermen under the Fisheries Act, being Chapter F-90 of the Revised Statutes of Manitoba, 1987;

and the Corporation accounts separately for each of these programs.

The Corporation is economically dependent on the Government of the Province of Manitoba. In accordance with the Acts under which the Corporation operates, it recovers from Province of Manitoba appropriations amounts of expenditure (less provision for bad debts) which exceed related revenues from the programs it administers.

2. Significant Accounting Policies

a) Basis of Accounting

The Corporation operates on the accrual basis of accounting except for the following:

i) Equipment and office furniture are charged to operations in the year of acquisition.

ii) Revenue from real estate is not offset by depreciation on farm buildings and equipment acquired.

iii) In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Corporation contributes 50% of the pension disbursements made to retired employees. Such payments are charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation Fund. On the basis of an actuarial report, the unfunded liability for the Corporation's employees amounted to $2,831,011 at March 31, 1991 (1990 - $2,508,417).

b) Allowances for Doubtful Accounts

The allowances for doubtful accounts relate to accounts receivable, stocker program advances, mortgages, chattels and agreements, promissory notes and security agreements. They are determined on an individual account basis, and represent an estimate of probable losses on the accounts outstanding at year end as shown in note 9. Actual losses on loans and accounts receivable are charged to the allowance when written off by Board resolution. The adjustment of the allowances to the required level is charged to administration expenditure as bad debts.

c) Real Estate

Real estate consists of purchases for the land lease program, foreclosures and quit claims. Land lease program purchases are recorded at cost. Foreclosures and quit claims are recorded at the lower of the foreclosed or quit claim amounts and appraised values at acquisition date.

d) Donated Services

The Government of the Province of Manitoba provides certain administrative services at no charge to the Corporation. The estimated fair value of the services is recorded in these financial statements as described in note 11.

3. Cash - Agriculture

Cash consisted of the following at March 31:

	1991	1990
On hand and in bank	$ 152,410	$ 184,930
On deposit with the Minister of Finance	7,127,085	8,998,397
	$7,279,495	$9,183,327

4. Accounts Receivable - Agriculture

Accounts receivable consisted of the following at March 31:

	1991	1990
Rent	$ 554,833	$ 571,714
Sale of real estate	375,397	682,654
Conditional incentive grants and accrued interest	16,883	14,792
Other	3,769	17,536
	950,882	1,286,696
Less: allowance for doubtful accounts	218,890	227,567
	$ 731,992	$1,059,129

5. Stocker Program Advances Receivable - Agriculture

Stocker program advances receivable consisted of the following at March 31:

	1991	1990
Renewable interest bearing advances, 14 month term	$3,963,361	$2,378,558
Arrears (Prepayments)	(21,411)	151,088
Accrued interest	178,397	114,996
	4,120,347	2,644,642
Less: allowance for doubtful accounts	357,086	467,521
	$3,763,261	$2,177,121

6. Mortgages, Chattels and Agreements for Sale Receivable - Agriculture

A summary of mortgages, chattels and agreements for sale receivable by years in which the instalments become due is as follows:

Receivable Within:	1991	1990
1 year		
Accrued interest	$11,792,625	$10,444,253
Arrears	9,188,655	10,580,436
Prepayments	(8,129,264)	(7,449,662)
Regular instalments	9,551,772	8,886,818
	22,403,788	22,461,845
2 years - regular instalments	9,371,605	9,279,724
3 years - regular instalments	9,674,869	8,968,487
4 years - regular instalments	10,234,968	9,160,014
5 years - regular instalments	10,771,312	9,605,118
Over 5 years - regular instalments	173,534,388	161,264,918
	235,990,930	220,740,106
Less: allowance for doubtful accounts	6,137,500	8,904,232
	$229,853,430	$211,835,874

THE MANITOBA AGRICULTURAL CREDIT CORPORATION

Notes to the Financial Statements
for the year ended March 31, 1991

7. Promissory Notes Receivable - Agriculture

Promissory notes receivable are comprised mainly of loans made under the Farm Diversification Plan Program of the Province of Manitoba. This program was terminated in December, 1978. A summary of promissory notes receivable by years in which the instalments become due is as follows:

Receivable Within:	1991	1990
1 year		
Accrued interest	$ 23,554	$ 52,626
Arrears	228,318	490,823
Prepayments	(859)	(12,957)
Regular instalments	50,818	58,559
	301,831	589,051
2 years - regular instalments	54,891	58,118
3 years - regular instalments	35,499	61,523
4 years - regular instalments	20,800	41,834
5 years - regular instalments	7,989	22,841
Over 5 years - regular instalments	3,368	13,308
	424,378	786,675
Less: allowance for doubtful accounts	254,894	595,076
	$ 169,484	$ 191,599

8. Security Agreements Receivable - Agriculture

Security agreements receivable consist of advances made to farmers who are registered with the Manitoba Beef Commission. These advances are mainly repayable to the Corporation within fourteen months of disbursement. Security agreements consisted of the following at March 31:

	1991	1990
Accrued interest	$ 9,539	$ 21,770
Arrears	83,225	219,270
Regular instalments	-	58,981
	92,764	300,021
Less: allowance for doubtful accounts	70,400	129,645
	$ 22,364	$ 170,376

9. Allowances for Doubtful Accounts

Asset account balances are shown net of the following allowances for doubtful accounts (Note 2 b)):

Asset	Allowance March 31/90	Adjustment 1990/91	Accounts Written-Off 1990/91	Allowance March 31/91
a) The Agricultural Credit Corporation Act:				
Accounts receivable	$ 227,567	$ 71,867	$ 80,544	$ 218,890
Stocker program	467,521	64,405	174,840	357,086
Mortgages, chattels and agreements	8,904,232	828,381	3,595,113	6,137,500
Promissory notes	595,076	(63,696)	276,486	254,894
Security agreements	129,645	(22,848)	36,397	70,400
	$10,324,041	$ 878,109	$4,163,380	$7,038,770
b) Part III of The Fisheries Act:				
Loans receivable	$ 443,150	$ 40,381	$ 35,588	$ 447,943

10. Advances from the Province of Manitoba

In accordance with Province of Manitoba practices the Corporation may elect to repay advances or portions of advances prior to maturity. These advances consisted of the following at March 31:

	1991	1990
a) The Agricultural Credit Corporation Act:		
Advances repayable in equal annual blended principal and interest instalments:		
Interest rates range from 7.5% to 13.125%	$258,202,968	$242,997,670
Advances repayable at maturity:		
12.74% interest rate due March 3, 2000	8,850,000	8,850,000
	$267,052,968	$251,847,670

Maturities of principal by fiscal year are as follows:

1992	$ 19,744,345
1993	18,550,690
1994	13,938,072
1995	14,370,456
1996	15,295,194
1997 through 2021	185,154,211
	$267,052,968

	1991	1990
b) Part III of The Fisheries Act:		
Advances repayable on demand, interest payable at prime rates	$ 9,870,187	$ 8,705,775

11. Donated Services - Agriculture

The Province of Manitoba provides the services of legal counsel, computer system programmer/analysts and other miscellaneous administrative services at no charge to the Corporation. The fair value of these services is estimated to be $126,000 (1990 - $110,000) and is included in salaries expenditure and donated services revenue in these financial statements.

12. Real Estate Revenue - Agriculture

Real estate revenue consisted of the following at March 31:

			1991	1990
	Proceeds	Cost		
Sales to lessee	$ 989,071	$1,055,580	$ (66,509)	(18,282)
Sales by public tender	1,038,764	1,033,600	5,164	120,283
	$2,027,835	$2,089,180		
Gain (Loss) on sale of real estate			(61,345)	102,001
Lease revenue			1,596,699	1,674,222
Interest revenue from sales and leases			101,085	156,553
			$1,636,439	$1,932,776

Cost reflected above has been determined in accordance with the valuation method described in Note 2 c). Associated real estate carrying costs have been included in the Statement of Revenue and Expenditure.

13. Loans Approved but not Disbursed

These approvals amounted to the following at March 31:

	1991	1990
a) The Agricultural Credit Corporation Act:		
Mortgages, chattels and agreements for sale:		
Direct loans	$5,865,515	$ 9,108,771
Corporate	407,297	614,434
Refinancing program -regular	137,741	588,803
Part-time farmers	36,414	148,593
Land lease program	602	602
Crown land loans	-	9,150
Mediated loans	37,000	105,000
	6,484,569	10,575,353
Stocker program advances	1,603,527	1,223,063
	$8,088,096	$11,798,416

The Corporate approvals amount includes $315,367 (1990 - $315,447) which represents performance bond guarantees to agricultural marketing agencies.

	1991	1990
b) Part III of The Fisheries Act:		
Direct loans	$ 221,248	$ 369,105

14. Contingent Liabilities - Agriculture

At March 31, 1991, the Corporation was contingently liable as guarantor of loans made under The Agricultural Credit Corporation Act by lending institutions as follows:

a) The Corporation fully guarantees loans to individuals for the purpose of farming. The last of these guarantees was given during the 1982-83 fiscal year. At March 31, 1991, these guaranteed loans amounted to $266,618 (1990 - $325,312). No provision for this contingency has been made in the financial statements since no loans under this program are in default. Any payments arising from a claim under these guarantees will be recorded as an expense in the period in which they occur.

14. Contingent Liabilities - Agriculture (continued)

b) Effective April 1, 1983, a Guaranteed Operating Loan program was introduced. Under this program the Corporation guarantees 12 1/2% of the aggregate total guaranteed loans made by each participating lending institution. As of March 31, 1991, the Corporation's contingent liability amounted to $5,436,786 (1990 - $4,263,663). A partial provision for this contingency has been made in the financial statements in the amount of $1,475,000 (1990 - $1,362,866).

Differences between actual losses and those provided for in the current year will be recognized and charged against income in the year that they occur.

15. Manitoba Interest Rate Relief Program - Agriculture

The Corporation administers the agricultural portion of the Manitoba Interest Rate Relief Program for the Province of Manitoba. The Province has provided grants and loans to farmers under this program which was initiated during the 1982-83 year. The Corporation monitors compliance with the conditions of the program, collects amounts due and remits them to the Province. Administration charges are applied to recoveries. Outstanding grants and loans amounted to $2,037,103 at March 31, 1991 (1990 - $3,189,410) and are not reflected in these financial statements.

16. Subsequent Event

Subsequent to March 31, 1991 the Government of the Province of Manitoba initiated the transfer of responsibility for Part III of The Fisheries Act from the Corporation to The Communities Economic Development Fund.

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the 1991 presentation.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of Manitoba Arts Council as at March 31, 1991 and the statements of revenue, expenditures and fund balance for the Grants and Programs Fund, Manitoba Artists' Bank Fund, Memorial Trust Fund and Manitoba Arts Gaming Fund for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H. Jackson

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
May 7, 1991

Exhibit A

Manitoba Arts Council

BALANCE SHEET

as at March 31, 1991
(with 1990 figures for comparison)

Assets

	1991	1990
Grants and Programs Fund		
Cash on hand and in bank less outstanding cheques	$ 1,174	$ 454,307
Funds on deposit with the Province of Manitoba	1,910,000	2,190,000
Investments, at cost (note 3)	985,383	462,700
Accounts receivable	87,675	75,161
Accrued interest receivable	65,180	66,514
	3,049,412	3,248,682
Manitoba Artists' Bank Fund		
Receivable from Grants and Programs Fund	242,339	220,878
Investments, at cost (note 3)	436,403	514,904
Musical instruments, at cost	75,876	75,876
University Musical Instrument Bank	35,000	20,000
Works of art, at cost	175,089	127,940
	964,707	959,598
Memorial Trust Fund		
Receivable from Grants and Programs Fund	31,776	28,500
	31,776	28,500
Manitoba Arts Gaming Fund		
Receivable from Grants and Programs Fund	705,363	648,842
Investments, at cost	0	100,000
	705,363	748,842
	$ 4,751,258	$ 4,985,622

Exhibit B

Manitoba Arts Council

GRANTS AND PROGRAMS FUND

Statement of Revenue, Expenditures and Fund Balance
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues		
Province of Manitoba - operating fund	$ 1,748,300	$ 1,712,300
- lotteries proceeds	4,246,777	4,463,166
Investment income	277,957	295,348
	6,273,034	6,470,814
Expenditures		
Grants and Programs:		
Arts Education and Development	772,882	801,303
Performing Arts		
Dance	878,825	829,500
Music	1,131,471	1,103,445
Theatre	1,223,540	1,185,548
Touring	238,102	263,422
Visual Arts	1,060,302	1,148,734
Writing and Publishing	613,915	579,216
Total grants and programs	5,919,037	5,911,168
Administrative, Schedule 1	858,016	911,517
Total expenditures	6,777,053	6,822,685
Rescinded grant commitments	(68,130)	(137,232)
Net expenditures	6,708,923	6,685,453
Excess of expenditures over revenue	(435,889)	(214,639)
Balance at beginning of year	830,040	1,044,679
Interfund Transfer from Manitoba Artists' Bank	35,000	0
Balance at end of year, Exhibit A	$ 429,151	$ 830,040

Exhibit C

Manitoba Arts Council

MANITOBA ARTISTS' BANK FUND

Statement of Revenue, Expenditures and Fund Balance
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues		
Investment income	$ 61,175	$ 65,460
Administrative fees recovered	3,775	3,969
Art rentals	7,994	7,376
	72,944	76,805
Expenditures		
Acquisitions of musical instruments	0	10,116
Payment to acquire musical instruments (note 7c)	15,000	20,000
Grant to acquire musical instrument	0	1,400
Acquisitions of works of art	47,149	45,447
Administrative expenditures	32,835	39,781
	94,984	116,744
Excess of expenditures over revenue	(22,040)	(39,939)
Balance at beginning of year	735,782	775,721
Interfund Transfer to Grants and Programs Fund	(35,000)	0
Balance at end of year, Exhibit A	$ 678,742	$ 735,782

Exhibit D

Manitoba Arts Council

MEMORIAL TRUST FUND

Statement of Revenue, Expenditures and Fund Balance
for the year ended March 31, 1991
(with 1990 figures for comparison)

	JACK HASSARD MEMORIAL TRUST FUND	JOHN STEPHEN HIRSCH MEMORIAL TRUST FUND	TOTAL 1991	TOTAL 1990
REVENUES				
Bequest	$ 0	$ 0	$ 0	$ 25,000
Investment Income	320	3,276	3,596	1,290
	320	3,276	3,596	26,290
EXPENDITURES				
Award	320	0	320	290
Excess of revenue over expenditures	0	3,276	3,276	26,000
Balance at beginning of year	2,500	26,000	28,500	2,500
Balance at end of year, Exhibit A	$ 2,500	$ 29,276	$31,776	$ 28,500

Exhibit E

MANITOBA ARTS COUNCIL

MANITOBA ARTS GAMING FUND

Statement of Revenue, Expenditures and Fund Balance
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
REVENUE		
Province of Manitoba - lotteries proceeds (note 5)	$ 1,283,533	$ 1,360,810
Investment income	125,779	114,693
	1,409,312	1,475,503
EXPENDITURES		
Distributions to organizations	1,374,854	1,399,961
Direct and allocated costs (note 6)	63,116	62,578
Total expenditures	1,437,970	1,462,539
Rescinded commitments	(16,105)	(45,123)
Net expenditures	1,421,865	1,417,416
Excess of revenue (under) over expenditures	(12,553)	58,087
Balance at beginning of year	262,840	204,753
Balance at end of year, Exhibit A	$ 250,287	$ 262,840

Schedule 1

Manitoba Arts Council

GRANTS AND PROGRAMS FUND

Schedule of Administrative Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
REGULAR EXPENDITURES		
Bank charges	$ 61	$ 40
Consultants fees and expenses	49,064	42,662
Council expenses	15,620	17,783
Council remuneration	21,427	21,736
Equipment and art rentals	3,156	2,797
Furniture and equipment	14,853	22,139
Furniture and equipment maintenance	2,305	4,863
Health and Post Secondary Education Tax Levy	753	13,954
Insurance	630	149
Memberships and subscriptions	2,856	2,818
Office maintenance	250	3,554
Office rent	66,072	62,665
Office supplies	6,423	8,228
Postage and courier	14,489	20,993
Printing and stationery	20,439	25,260
Professional fees	7,914	8,117
Public information	8,854	13,490
Salaries and benefits (note 4)	620,425	613,773
Staff development	4,118	5,572
Staff travel and meeting expense	9,581	7,653
Sundry	655	1,002
Systems development	800	5,243
Telephone	15,583	15,881
Total regular administrative expenditures	886,328	920,372
SPECIAL EXPENDITURES		
Arts Policy Review	0	9,900
Computer network	0	5,334
Twentieth anniversary	0	5,717
Total special administrative expenditures	0	20,951
TOTAL ADMINISTRATIVE EXPENDITURES	886,328	941,323
Less: Overhead recovery from the Manitoba Arts Gaming Fund (note 6)	(28,312)	(29,806)
NET ADMINISTRATIVE EXPENDITURES, Exhibit B	$ 858,016	$ 911,517

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 1991

1. Nature of Operations

The Arts Council Act established the Manitoba Arts Council for the purpose of promoting the study, enjoyment, production and performance of works in the arts.

The Council operates the following funds:

a) Grants and Programs Fund

The Grants and Programs Fund reflects disbursement and administration of grants to organizations and individuals whose purposes are similar to those of the Council as provided for in the Arts Council Act.

b) Manitoba Artists' Bank Fund

The Manitoba Artists' Bank Fund was established for the following purposes:

i) To acquire works of art from Manitoba artists for rent to provincial government departments, crown corporations, agencies and provincially funded institutions;

ii) To acquire musical instruments for loan to deserving artists; or to make grants for the purpose of acquiring musical instruments.

c) Memorial Trust Fund

Memorial Trusts have been established by the Manitoba Arts Council with funds designated or received for that purpose.

i) Jack Hassard Memorial Trust

In March 1980, the Manitoba Arts Council designated $2,500 to be known as the Jack Hassard Memorial Trust. The sum is awarded to the Portage la Prairie Arts Council for an annual scholarship.

ii) John Stephen Hirsch Memorial Trust

A bequest of $25,000 was received in November 1989 from the estate of John Stephen Hirsch to create an annual award for the most promising writer in Manitoba. The awarding thereof and the amounts to be awarded shall be at the sole discretion of the Manitoba Arts Council. The Council has established the John Stephen Hirsch Memorial Trust and is developing the criteria for the award.

d) Manitoba Arts Gaming Fund

The Manitoba Arts Gaming Fund reflects activity of the Gaming Fund Commission. The Commission makes recommendations to the Council regarding the distribution of a share of gaming revenues to Manitoba arts groups under the terms of an agreement with the Province of Manitoba (formerly with the Manitoba Lotteries Foundation).

2. Accounting Policies

a) The financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

  i) Grants and programs costs are reflected as expenditures in the accounts when funding is formally approved and committed by Council. The rescinded commitments in the financial statements reflect cancellations of expenditures of the previous year.

  ii) Gaming revenues are recorded on a cash basis.

b) The Council follows the fund basis of accounting.

c) Fixed assets including Works of Art and Musical Instruments are charged to expenditures in the year of acquisition.

d) Assets acquired through the Manitoba Artists' Bank Fund are shown on the Balance Sheet as assets at cost with an offsetting credit to Investments in works of art and musical instruments.

3. Investments

a) Grants and Programs Fund

Investments of the fund consist of Government of Canada treasury bills in the amount of $985,383 that mature within 102 days.

b) Manitoba Artists' Bank Fund	1991	1990
Annuity, London Life Insurance Company, maturing January 15, 1992 providing yearly payments of $95,100.	$ 86,403	$ 164,904
The Winnipeg Foundation Consolidated Trust Fund (Market $367,217; 1990 - $360,529)	350,000	350,000
Total Exhibit A	$ 436,403	$ 514,904

4. Pension Plan

Council employees are participants in the Manitoba Civil Service Superannuation Fund. The employees and the Council contribute equally to the cost of the plan. The Council participates on a fully-funded basis and its contributions of $19,085 (1990 - $16,488) represent the total obligation for the year.

5. Manitoba Arts Gaming Fund

Revenues and expenditures of the Manitoba Arts Gaming Fund do not reflect the results of bingo events included in the revenue agreement with the Province of Manitoba. Net proceeds from bingo events are distributed directly to charitable arts organizations by the Manitoba Lotteries Foundation. During the year ended March 31, 1991, the Manitoba Lotteries Foundation distributed net proceeds from bingo events in the amount of $132,060 (1990 - $126,912) to charitable arts organizations.

6. Overhead Recovery

Direct costs associated with the Manitoba Arts Gaming Fund are charged on Exhibit E in the amount of $34,804 (1990 - $32,772). In addition, an administrative charge is collected, calculated at 2% of the gaming revenues allocated to the Manitoba Arts Gaming Fund. In 1991 this charge amounted to $28,312 (1990 - $29,806).

7. Commitments

a) Lease Commitment

Council has entered into a lease agreement for office premises until March 2, 1992. The basic annual rent is $62,609 exclusive of an escalation clause for specific items.

b) Long-Term Commitment

In the 1984 fiscal year, the Winnipeg Symphony Orchestra Inc. arranged deficit financing by way of a loan of $150,000 from private sources. In the same year, Council agreed to provide funding of $15,000 per year for the next ten years to the Symphony for repayment of this loan. The balance outstanding on this guarantee is $45,000 (1990 - $60,000). Funding to Council to this extent has been guaranteed by the Province of Manitoba.

c) Manitoba Artists' Bank Fund

Under the Visual Art Bank component of this Fund, Council has approved the acquisition during the 1992 fiscal year of works of art totalling $39,700 (1991 - $41,980).

Under the Instrument Bank component the Council has entered into two agreements:

i) Brandon University: the agreement provides for an award of $5,000 annually for a period of five years ending in 1995. There were no payments during the year and $25,000 remains outstanding.

ii) University of Manitoba: the agreement provides for an award of $10,000 annually for a period of six years ending in 1993. A payment of $10,000 was made in the year and $30,000 remains outstanding.

8. Comparative Figures

Comparative figures for the year ended March 31, 1990 have been restated where necessary to conform with the presentation for March 31, 1991.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S OFFICE

To the Legislative Assembly of Manitoba

We have examined the Balance Sheet of The Manitoba Beef Commission as at March 31, 1991, and the Statement of Revenue and Expenditure and Deficit-Stabilization Fund Account, the Statement of Operations-Productivity Enhancement Grant Fund Account, and the Statement of Revenue and Expenditure and Fund Account Balance-Administration Fund Account for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

December 18, 1991
Winnipeg, Manitoba

EXHIBIT A

THE MANITOBA BEEF COMMISSION

Balance Sheet
as at March 31, 1991

ASSETS	1991	1990
Current assets:		
Funds on deposit with the Minister of Finance and in bank	$ 210,790	$ 403,321
Accounts receivable:		
Producers, less allowance for doubtful accounts (Note 3)	78,551	144,952
	$ 289,341	$ 548,273
LIABILITIES AND FUND ACCOUNT BALANCES		
Current liabilities:		
Accounts payable:		
Producers	$ 190	$ 1,218
Government of the Province of Manitoba	47,530	29,552
Trade accounts	7,500	17,486
	55,220	48,256
Advances from the Government of the Province of Manitoba (Note 4)	-	252,310
	55,220	300,566
Fund account balances:		
Stabilization Fund Account, Exhibit B	262,734	-
Administration Fund Account (deficit), Exhibit D	(28,613)	247,707
	234,121	247,707
	$ 289,341	$ 548,273

EXHIBIT B

THE MANITOBA BEEF COMMISSION

Stabilization Fund Account
Statement of Revenue and Expenditure and Fund Account Balance (Deficit)
for the year ended March 31, 1991

	1991	1990
Revenue:		
Producer premiums:		
Producer Fund Account	$ -	$ 763,086
Direct from producers	-	135,324
Bad debt recoveries	273,890	(28,908)
	273,890	869,502
Provincial premium contributions	-	317,423
Recovery of stabilization payments	-	258,672
Total revenue	273,890	1,445,597
Expenditure:		
Stabilization payments	11,035	1,812,151
Producer account credit balances	121	14,737
Total expenditure	11,156	1,826,888
Excess of Revenue over (under) Expenditure	262,734	(381,291)
Balance (Deficit), beginning of year	-	(16,167,399)
	262,734	(16,548,690)
Foregiveness of advances by the Province of Manitoba	-	16,548,690
Balance, end of year, Exhibit A	$ 262,734	$ -

EXHIBIT C

THE MANITOBA BEEF COMMISSION

Productivity Enhancement Grant Fund Account
Statement of Operations
for the year ended March 31, 1991

	1991	1990
Recoveries of grants from producers	$ -	$ 225
Less: Bad debt expense	11,035	51,922
	$ (11,035)	$ (51,697)
Distribution (Recovery):		
Government of the Province of Manitoba	$ (11,035)	$ (51,697)

EXHIBIT D

THE MANITOBA BEEF COMMISSION

Administration Fund Account
Statement of Revenue and Expenditure and Fund Account Balance (Deficit) for the year ended March 31, 1991

	1991	1990
Revenue:		
Grant - Government of the Province of Manitoba	$ -	$ 166,500
Interest	32,628	117,965
Marketing fees	2,761	27,537
Producer penalty	5,309	6,655
Producer interest	46,212	129,460
Recovery of provincial premium contributions on cancellation of producers' contract	2,385	96,434
Total Revenue	89,295	544,551
Expenditure:		
Advertising and promotion	-	452
Audit	11,910	9,600
Bad debt expense - Producer interest	55,332	78,915
Bank charges	93	2,534
Computer services and equipment	14,239	56,628
Directors' fees and expenses	19,907	33,382
Delivery	421	4,344
Fieldmen expenses	-	5,409
Health and post-secondary education tax levy	-	5,452
Interest - Province of Manitoba	27,026	-
Legal Fees	22,077	13,450
Miscellaneous	19	8,377
Net pool adjustments to Producer Fund Account	-	540
Postage and telephone	5,647	25,753
Printing and stationery	2,969	10,769
Repairs and maintenance	-	218
Salaries and employee benefits	195,125	332,581
Travel	10,850	15,583
Total Expenditure	365,615	603,987
Excess of Revenue over (under) Expenditure	(276,320)	(59,436)
Balance, beginning of year	247,707	307,143
Balance (Deficit), end of year, Exhibit A	$ (28,613)	$ 247,707

Notes to Financial Statements
for the year ended March 31, 1991

1. Status of the Commission

The Manitoba Beef Commission was established on September 1, 1982 by regulation under the Natural Products Marketing Act, to administer regulations respecting the marketing of beef.

The Manitoba Beef Commission maintained its normal operations up until June 30, 1989, at which time the Manitoba Beef Stabilization Plan was terminated. The marketing operations of the Commission were discontinued on July 30, 1990. The remaining operations of the Commission are being terminated as at March 31, 1991. Any residual activities after that date, primarily relating to the collection of outstanding accounts receivable, will be reflected through the operations of the Department of Agriculture.

Subsequent to March 31, 1991 the net amount of accounts receivable were recovered, the outstanding liabilities were fully discharged and the remaining funds were transferred to the Department of Agriculture.

Any comparison of the Commission's March 31, 1991 financial statements with the previous year's figures must take into account the change in the operating status of the Commission.

2. Significant Accounting Policies

a) The financial statements have been prepared on an accrual basis of accounting except for capital acquisitions which are charged as an expenditure of the Administration Fund Account.

b) The Commission maintained separate divisions in its accounts for the activities of the Producer Fund Account, Stabilization Fund Account, Productivity Enhancement Grant Fund Account and the Administration Fund Account. The assets and liabilities of all of the fund accounts are combined on the balance sheet. A statement of operations for the Producer Fund Account has not been prepared for March 31, 1991, because this fund did not operate during the 1991 fiscal year.

c) The Government of the Province of Manitoba provides for office space at an approximate annual cost of $28,000 (1990 - $68,000); and for certain administrative services, at no cost to the Commission. The value of these benefits to the Commission is not reflected in the financial statements.

3. Accounts Receivable - Producers

The accounts receivable from producers consists of:

	1991	1990
Stabilization payments recoverable	$ 362,056	$ 906,177
Productivity enhancement grants	90,234	258,795
Premiums	15,574	35,445
Interest	110,399	239,849
Other	1,475	6,886
	579,738	1,447,152
Less: Allowance for doubtful accounts	501,187	1,302,200
	$ 78,551	$ 144,952

4. Advances from the Province of Manitoba

The Province of Manitoba authorized repayable advances to the Commission of up to $41,600,000 for the purpose of funding the deficit of the Stabilization Fund Account when revenues were not sufficient to pay the producers' stabilization payments under the Manitoba Beef Stabilization Plan. At March 31, 1991, all advances from the Province of Manitoba had been repaid by the Commission.

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AUDITORS' REPORT

To the Board of Commissioners
Manitoba Boxing and Wrestling Commission
Winnipeg, Manitoba

We have audited the balance sheet of Manitoba Boxing and Wrestling Commission as at March 31, 1991 and the statement of income and surplus for the year then ended. These financial statements are the responsibility of the Commission.

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Janzen Knowles & Warkentin

August 22, 1991

MANITOBA BOXING AND WRESTLING COMMISSION
BALANCE SHEET
As at March 31, 1991

ASSETS

	1991	1990
Current Assets		
Cash on hand	$ 13	$ 13
Cash in bank - chequing	2,127	3,408
- savings	8,209	7,624
Cash investments - Note 1	35,547	58,300
Accounts receivable	924	-
Accrued interest receivable	-	691
Prepaid expenses	225	225
Total Current Assets	$ 47,045	$ 70,261

LIABILITIES AND SURPLUS

	1991	1990
Current Liabilities		
Accounts payable	$ 6,249	$ 4,025
Performance bond deposits - Note 2	10,898	7,625
Total Current Liabilities	17,147	11,650
Surplus	29,898	58,611
	$ 47,045	$ 70,261

MANITOBA BOXING AND WRESTLING COMMISSION
STATEMENT OF INCOME AND SURPLUS
For the year ended March 31, 1991

	1991	1990
Revenue		
Commissions, licenses, and permits	$ 5,584	$ 15,942
Interest income	3,522	4,513
	9,106	20,455
Operating expenses		
Secretarial services	11,903	10,552
Card expenses - boxing	318	2,426
Conferences and meetings	6,906	6,795
Honararia	4,200	4,200
Dues, fees and subscriptions	1,024	459
Audit and legal	13,238	4,089
Office	73	1,481
Bank charges	157	256
	37,819	30,258
Net income (loss) for the year	(28,713)	(9,803)
Surplus, beginning of year	58,611	68,414
Surplus, end of year	$ 29,898	$ 58,611

MANITOBA BOXING AND WRESTLING COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 1991

1. Cash Investments

	1991	1990
Term Deposit		
Bank of Montreal, Guaranteed Investment Certificate, 10.75%, due January 23, 1991	$ 35,547	$ 35,000
Bank of Montreal, Deposit Receipt, 10.00%, April 6, 1991 to May 7, 1991	-	23,300
	$ 35,547	$ 58,300

2. Performance Bond Deposits

Performance bonds are deposited in an interest-bearing savings account. Interest earned is remitted to the promoter upon refund of the deposit.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Centennial Centre Corporation as at March 31, 1991 and the statement of revenues and expenditures and funds retained - general fund for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 3 reflects that the Corporation's unfunded pension liability as at March 31, 1991 was $2,248,400. Had this unfunded pension liability and the associated pension costs been recorded in the financial statements, the Corporation's liabilities would have been increased by $2,248,400, the funds retained for working capital and future operations would have been decreased by that amount, and the Corporation's pension costs would increase by $60,500 for the year ended March 31, 1991.

In our opinion, except for the failure to record the information referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 3 to the financial statements.

Fred H. Jackson

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 7, 1991

THE MANITOBA CENTENNIAL CENTRE CORPORATION

Balance Sheet

as at March 31, 1991
(with 1990 figures for comparison)

A S S E T S

	1991	1990
General Fund		
Cash	$ 268,662	$106,813
Term deposit - Province of Manitoba	144,766	243,670
Accounts receivable	116,305	90,823
Capital grants receivable, Province of Manitoba	334,474	306,100
Inventory of supplies, at cost	19,286	25,418
Prepaid expenses	20,420	30,775
	$ 903,913	$803,599
Restricted Funds		
The Maitland Steinkopf Youth Fund		
Term deposit - Province of Manitoba	$ 62,856	$ 60,993
The Manitoba Centennial Citizens' Campaign Trust Fund		
Cash	$ 1,448	$ 562
Term deposit - Province of Manitoba	18,229	18,267
	19,677	18,829
The Manitoba Centennial Foundation of the Future Fund		
Term deposit - Province of Manitoba	$ 22,297	$ 20,188
	$1,008,743	$903,609

LIABILITIES AND FUND BALANCES

	1991	1990
General Fund		
Accounts payable and accrued liabilities	$ 646,073	$462,949
Deferred income	678	641
Deposits on rentals	5,800	4,500
Reserve for Deductible Costs on Insurance Claims (Note 4)	15,000	15,000
Funds Retained for Working Capital and Future Operations	236,362	320,509
	$ 903,913	$803,599
Restricted Funds		
The Maitland Steinkopf Youth Fund (Note 5(a))		
Accounts payable	$ 2,074	$ 1,911
The Maitland Steinkopf Youth Fund	60,782	59,082
	62,856	60,993
The Manitoba Centennial Citizens' Campaign Trust Fund (Note 5(b))	$ 19,677	$ 18,829
The Manitoba Centennial Foundation of the Future Fund (Note 5(c))	22,297	20,188
	$1,008,743	$903,609

Capital commitments (Note 6)

THE MANITOBA CENTENNIAL CENTRE CORPORATION

Statement of Revenues and Expenditures and Funds Retained - General Fund

for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Rentals:		
Concert Hall	$ 413,729	$ 464,142
Office space	46,769	49,662
Restaurant facilities	54,077	60,409
Bar and concession sales	222,471	259,451
Parking fees	392,927	420,352
Checkroom fees	26,625	18,489
Investment income	44,061	32,533
Miscellaneous income	1,710	1,850
	1,202,369	1,306,888
Province of Manitoba grant	1,703,400	1,419,600
Recoveries of expenditures:		
Museum of Man and Nature (Note 7)	700,092	933,456
Others	143,889	121,497
	843,981	1,054,953
Total revenues, grant and recoveries	3,749,750	3,781,441
Expenditures:		
Administration and general	446,164	467,672
Bar and concession operations	145,407	158,991
Host services and special projects	267,339	155,260
Building services and maintenance	2,093,026	2,082,881
Parking services	201,636	199,228
Security services	432,234	411,493
Stage operations	248,091	254,478
	3,833,897	3,730,003
Net capital projects (Note 3(a) and 6)	-	10,700
Total expenditures	3,833,897	3,740,703
Revenues (under) over expenditures	(84,147)	40,738
Funds Retained for Working Capital and Future Operations, beginning of year	320,509	279,771
Funds Retained for Working Capital and Future Operations, end of year	$ 236,362	$ 320,509

THE MANITOBA CENTENNIAL CENTRE CORPORATION

Schedule of Expenditures

for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Administration and general:		
Salaries and employee benefits	$ 303,976	$ 334,098
Insurance	26,283	26,563
Telephone and fax	15,914	21,821
Printing and stationery	6,912	6,564
Audit	18,685	8,935
Other	19,693	17,951
Payroll service	5,368	4,839
Health and post secondary education tax levy	49,333	46,901
	446,164	467,672
Bar and concession operations:		
Salaries and employee benefits	55,668	58,070
Cost of beverages sold	72,201	95,127
Other	17,538	5,794
	145,407	158,991
Host services and special projects:		
Salaries and employee benefits	161,620	106,919
Other	105,719	48,341
	267,339	155,260
Building services and maintenance:		
Salaries and employee benefits	1,183,046	1,110,081
Light, power and water	403,124	391,646
Heat	237,429	314,231
Repairs, maintenance and supplies	163,832	170,004
Minor capital expenditures	38,414	30,635
Other	67,181	66,284
	2,093,026	2,082,881
Parking services:		
Salaries and employee benefits	91,211	86,477
Agency fees and expenditures	103,410	108,635
Other	7,015	4,116
	201,636	199,228
Security services:		
Salaries and employee benefits	425,322	405,872
Other	6,912	5,621
	432,234	411,493
Stage operations:		
Salaries and employee benefits	209,301	223,025
Repairs, supplies and equipment	38,790	31,453
	248,091	254,478
Total expenditures	$3,833,897	$3,730,003

THE MANITOBA CENTENNIAL CENTRE CORPORATION

Capital Projects

for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Capital projects (Note 6):		
Air-handling system - back stage	$ 18,479	$ 20,512
Backflow preventers	-	45,520
Box office renovation	12,555	-
Building envelope - Concert Hall	126,441	-
Carpet replacement	99,347	90,000
Central HVAC upgrade	30,662	-
Chandeliers	6,545	-
Choral risers	25,145	-
Cooling coil replacement	23,304	24,851
Drapes - Concert Hall	16,508	-
Equipment and furnishings	68,897	-
Heating plant	1,046,165	193,835
Museum - refurbishment	77,674	-
Office and boardroom construction	-	97,487
Parkade ceiling	-	58,684
Parkade floor	120,507	-
Planetarium auditorium - seats and lighting	35,448	-
Roof repairs	145,696	68,456
Stage drapery	-	38,615
Stage floor	-	14,580
Stage lighting system	142,046	69,281
Stage rigging	39,102	23,284
Stage shell	-	9,517
Stage sound	165,031	200,000
Systems motor controls	76,783	-
	2,276,335	954,622
Less:		
Capital grants - Province of Manitoba:		
Received during the year	1,941,861	637,822
Recoverable	334,474	306,100
Total capital grants	2,276,335	943,922
Net capital projects (Note 3(a))	$ -	$ 10,700

THE MANITOBA CENTENNIAL CENTRE CORPORATION

Notes to Financial Statements
March 31, 1991

1. Nature of the Corporation's Operations

The Centennial Centre Corporation was established in 1968 for the development and management of the permanent arts centre in the City of Winnipeg as the principal memorial in the Province to the centennial anniversaries of the Confederation of Canada and the inclusion of Manitoba as a Province. Its aims and objectives are to maintain and enhance the properties and facilities available to organizations and individuals involved in various elements of the visual and performing arts.

2. Properties of the Centre

The Corporation oversees the properties of the Centre on behalf of the Province of Manitoba. Under terms of an August 1, 1985 agreement, the Province sold the lands and buildings of the Centre to Manitoba Properties Inc. (MPI). At March 31, 1991 registered titles to these properties are being held for MPI by the Province of Manitoba pursuant to trust agreements. The Province makes annual rental payments of $1,838,749 to MPI in respect of the Concert Hall, parkade, parking lots and other buildings. These properties are made available at no direct charge to the Corporation.

3. Accounting Policies

(a) The Corporation's financial statements have been prepared using the accrual basis of accounting except for capital acquisitions, employee benefits and pension payments.

Capital projects and the major expenditures are recognized as operating expenditures in the current year except to the extent of funding by capital grants from the Province of Manitoba as reflected separately on the Schedule of Capital Projects.

Pension payments are recognized as operating expenditures only as payments are made under provisions of The Manitoba Civil Service Superannuation Act. The provisions of this Act require the Corporation to contribute 50% of the pension payments being made to retired employees. A provision has not been made in the accounts of the Corporation to fund current or past service obligations to the Civil Service Superannuation Fund. Based on actuarial reports prepared at December 31, 1989, and indexed to December 31, 1990, the unfunded liability for the Corporation's employees amounted to $2,248,400 as at March 31, 1991 (1990 - $2,187,900).

(b) The cost of rental payments made by the Province of Manitoba as outlined in Note 2 is not reflected in these financial statements.

4. Reserve for Deductible Costs on Insurance Claims

The insurance program of the Corporation contains a deductible clause requiring the Corporation to pay the first $5,000 on any one claim with a maximum of $15,000 in any one year. The Corporation has set aside a reserve of $15,000 and, as long as the conditions of the insurance coverage are unchanged, it will be maintained at this level.

(b) The Manitoba Centennial Citizens' Campaign Trust Fund

The 1967 and 1970 campaigns were established to assist in raising funds for the building of the Centennial Centre and other cultural facilities in the Province of Manitoba.

The Fund is managed by the Board of The Manitoba Centennial Centre Corporation.

Based on 90 day deposit rates with the Province the Fund balance is $19,677 at March 31, 1991.

Summary of Transactions
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Investment income	$ 2,247	$ 2,168
Expenditures:		
Administration costs	1,399	718
Revenues over expenditures for the year	848	1,450
Balance, beginning of year	18,829	17,379
Balance, end of year	$ 19,677	$ 18,829

(c) The Manitoba Centennial Foundation of the Future Fund

In 1969, the Manitoba Centennial Corporation established the "Foundation of the Future". The Board of Directors of the Foundation is to be composed of children born on six special dates in 1970, Manitoba's centennial year. The terms of the Foundation's establishment provide that the Board of Directors is to meet on July 15 in the year 2000 when the use of the Fund is to be determined. The amount of original Fund was established at $3,050. Based on five year deposit rates with the Province the Fund has increased to $22,297 at March 31, 1991.

5. Restricted Funds

Restricted funds have been established by the Corporation as follows:

(a) The Maitland Steinkopf Youth Fund

In 1972, the Manitoba Centennial Centre Corporation established the "Maitland Steinkopf Youth Fund". Purposes of the Fund are:

- to honour the memory of Maitland B. Steinkopf, the founding Chairman.
- to encourage young Manitobans to make maximum use of available cultural opportunities.
- to enlarge and enhance the influence and impact of cultural facilities in Winnipeg on the lives of people who live outside the metropolitan area, and particularly with emphasis on young people.
- to assist in making cultural facilities and programs available at reasonable cost to a maximum number of Manitobans.

The Fund is managed by the Board of The Manitoba Centennial Centre Corporation.

The amount of original Fund was established at $25,000. Based on 90 day deposit rates with the Province the Fund has increased to $60,782 at March 31, 1991.

Summary of Transactions
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Investment income	$ 7,461	$ 6,961
Expenditures:		
Greater Winnipeg Schools' Orchestras	1,487	1,487
Musica - Mennonite Children's Choir	850	-
Red River Exhibition International Band Committee	850	850
Winnipeg Music Competition Festival Inc.	2,074	1,911
Winnipeg Area Girl Guides of Canada	500	500
	5,761	4,748
Revenues over expenditures for the year	1,700	2,213
Balance, beginning of year	59,082	56,869
Balance, end of year	$ 60,782	$ 59,082

(c) The Manitoba Centennial Foundation of the Future Fund (Cont'd.)

Summary of Transactions
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Investment income	$ 2,109	$ 1,834
Balance, beginning of year	20,188	18,354
Balance, end of year	$ 22,297	$ 20,188

6. Capital Commitments

The Corporation has contractual commitments of $473,100 to complete various capital improvements. This amount is fully recoverable from the Province of Manitoba.

7. Cost Recovery

Operating and maintenance costs include the provision of service to the Centennial Centre as a whole including the Museum of Man and Nature and other organizations located within the Centre. The amount of cost recovery from the Museum of Man and Nature for operating costs is set by the Province. The recovery for 1990/91 was $700,092 (1989/90 - $933,456). The estimated cost of services provided was $1,169,000 (1989/90 - $1,192,700). Commencing January 1, 1991, the Province has increased the direct funding to the Centennial Centre to compensate for the incurred costs and, therefore, recoveries ceased to be received from the Museum as was the practice in prior periods.

8. Comparative Figures

Certain prior year comparative figures have been reclassified to conform with the current year's presentation.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Crop Insurance Corporation as at March 31, 1991, the statements of revenue, expenditures and reserve for the payment of indemnities for the General Crop Insurance and Hail Insurance programs, and statements 1-5, being the programs administered by the Corporation on behalf of the Government of the Province of Manitoba. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In accordance with its accounting policy, as reflected in Note 2(D), the Corporation's unfunded pension liability at December 31, 1990 in the amount of $2,446,617, and the related pension costs have not been reflected in these financial statements. In our opinion, however, this accounting policy is not appropriate, because the obligations of the Corporation are not fully disclosed. If the unfunded pension liability and the associated pension costs had been recorded, the Corporation's liabilities would have been increased and its funds available for future operations would have been decreased by $2,446,617. Also, the Corporation's pension costs for the year ended March 31, 1991 would have been increased by $317,600.

In our opinion, except for the failure to record the unfunded pension liability referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H. Jackson

Winnipeg, Manitoba
December 6, 1991

F. H. Jackson, CA
Provincial Auditor

EXHIBIT A

MANITOBA CROP INSURANCE CORPORATION

Balance Sheet
As at March 31, 1991

ASSETS

	1991	1990
Cash on deposit with the Minister of Finance and in bank	$ 11,533,498	$ 6,601,423
Term deposits with the Minister of Finance (Note 3)	3,500,000	3,000,000
Accrued interest on term deposits	101,152	73,523
Accrued matching contributions (Note 7):		
Government of the Province of Manitoba	1,111,025	-
Government of Canada	1,111,025	-
Premiums receivable, net of allowance for doubtful accounts of $839,431 (1990 - $429,734):		
Due from insured persons	2,341,701	848,593
Accrued interest	284,899	57,909
Amount receivable from Reinsurance Fund of Manitoba	-	39,637,059
Amount receivable from Reinsurance Fund of Canada for Manitoba	63,437,892	63,437,892
Accounts receivable - Government of Canada, Crop Loss Compensation Program	100,091	-
Accounts receivable - other	30,181	15,435
Prepaid expenses	44,504	29,098
	$ 83,595,968	$ 113,700,932

LIABILITIES AND RESERVES

	1991	1990
Reinsurance premiums payable (Note 4):		
Reinsurance Fund of Canada for Manitoba	$ 1,169,397	$ 4,600,586
Reinsurance Fund of Manitoba	1,169,397	4,600,586
Advance from the Government of the Province of Manitoba (Note 5)	41,962,134	100,000,000
Indemnities payable	613,810	827,461
Other account and program payables	1,034,904	482,738
Premiums collected in advance	399,664	437,776
	46,349,306	110,949,147
Reserves for the Payment of Indemnities:		
General Crop Insurance Program, Exhibit B	33,137,704	-
Hail Insurance Program, Exhibit C	4,108,958	2,751,785
	$ 83,595,968	$113,700,932

EXHIBIT B

MANITOBA CROP INSURANCE CORPORATION

General Crop Insurance Program
Statement of Revenue, Expenditure and Reserve for the Payment of Indemnities for the year ended March 31, 1991

	1991	1990
Revenue:		
Premiums:		
Insured persons	$ 41,804,820	$ 39,523,944
Matching contributions (Note 2(B)):		
Government of Canada	21,461,283	39,307,940
Government of the Province of Manitoba	20,886,264	-
	84,152,367	78,831,884
Filing fee	8,675	4,625
Administrative expenses recovered (Note 2(C)):		
Government of Canada	2,896,045	-
Government of the Province of Manitoba	2,896,045	6,314,125
Interest on cash balances and outstanding premiums	602,029	167,120
Total revenue	90,555,161	85,317,754
Expenditure:		
Administrative expenses, Schedule 1 (Note 2(C))	5,792,090	6,314,125
Reinsurance premiums (Note 4):		
Reinsurance Fund of Canada for Manitoba	12,037,649	11,792,382
Reinsurance Fund of Manitoba	12,037,649	11,792,382
Discounts	31,416	45,473
Indemnities	27,125,793	158,169,663
Bad debts	392,860	(158,539)
Total expenditure	57,417,457	187,955,486
Revenue over (under) expenditure	33,137,704	(102,637,732)
Reserve for the payment of indemnities:		
Beginning of year	-	-
Recoverable from Reinsurance Fund of Manitoba, (Note 4)	-	39,199,840
Recoverable from Reinsurance Fund of Canada for Manitoba, (Note 4)	-	63,437,892
End of year, Exhibit A	$ 33,137,704	$ -

EXHIBIT C

MANITOBA CROP INSURANCE CORPORATION

Hail Insurance Program
Statement of Revenue, Expenditure and Reserve for the Payment of Indemnities for the year ended March 31, 1991

	1991	1990
Revenue:		
Premiums charged to insured persons at established rates	$ 5,395,025	$ 5,574,844
Interest on funds invested with the Minister of Finance and outstanding premiums	585,888	753,747
Total revenue	5,980,913	6,328,591
Expenditure:		
Administrative expenses, Schedule 2 (Note 2(C))	1,050,544	1,043,578
Indemnities	3,488,021	9,688,692
Bad debts	85,174	(42,049)
Total expenditure	4,623,739	10,690,221
Revenue over (under) expenditure	1,357,174	(4,361,630)
Reserve for the Payment of Indemnities:		
Beginning of year	2,751,785	7,113,415
End of year, Exhibit A	$ 4,108,959	$ 2,751,785

SCHEDULE 1

MANITOBA CROP INSURANCE CORPORATION

General Crop Insurance Program
Statement of Administrative Expenses
for the year ended March 31, 1991

	1991	1990
Adjusters' wages and expenses	$ 2,128,142	$ 2,758,568
Administration and field in-service training	9,291	20,984
Advertising	36,246	74,816
Appeal tribunal	23,154	7,368
Audit fee	20,876	20,941
Computer equipment, rental and usage	72,244	76,647
Directors' remuneration and expenses	18,532	29,877
District offices' rentals and miscellaneous	268,848	68,713
Employee benefits	194,873	193,330
Employer share of pensions (Note 2(D))	76,758	73,816
Federal-provincial crop insurance review	-	11,012
Furniture and equipment purchases (Note 2(E))	33,143	27,236
Health and Post Secondary Education Tax Levy	80,060	88,415
Legal fees	30,775	23,123
Miscellaneous	63,715	47,853
Office equipment rentals	12,613	12,832
Postage	107,858	115,404
Printing, stationery and office supplies	149,802	162,281
Salaries	2,182,440	2,224,547
Special studies	1,143	10,915
Telephone	95,500	78,877
Travel	141,919	139,377
Workers' compensation	44,158	47,193
Total administrative expenses, Exhibit B	$ 5,792,090	$ 6,314,125

SCHEDULE 2

MANITOBA CROP INSURANCE CORPORATION

Hail Insurance Program
Statement of Administrative Expenses
for the year ended March 31, 1991

	1991	1990
Adjusters' wages and expenses	$ 151,072	$ 180,219
Administration and field in-service training	2,323	5,246
Advertising	18,573	19,433
Appeal tribunal	3,179	1,842
Audit fee	5,219	5,235
Computer equipment, rental and usage	18,061	18,412
Directors' remuneration and expenses	4,633	7,469
District offices' rentals and miscellaneous	65,473	16,379
Employee benefits	48,718	48,333
Employer share of pensions (Note 2(D))	19,189	18,454
Furniture and equipment purchases (Note 2(E))	3,284	2,160
Health and Post Secondary Education Tax Levy	20,015	22,104
Legal fees	6,634	5,781
Miscellaneous	9,784	11,269
Office equipment rentals	3,153	3,208
Postage	26,967	27,804
Printing, stationery and office supplies	28,262	28,981
Salaries	545,610	554,887
Telephone	23,875	19,719
Travel	35,480	34,844
Workers' compensation	11,040	11,799
Total administrative expenses, Exhibit C	$ 1,050,544	$ 1,043,578

MANITOBA CROP INSURANCE CORPORATION

Notes to Financial Statements
March 31, 1991

---

1. Authority

The Manitoba Crop Insurance Corporation is incorporated under a specific Statute of the Province of Manitoba.

2. Significant Accounting Policies

(A) Programs

The Corporation's financial statements have been prepared using the accrual basis of accounting.

The Corporation operates general crop and hail insurance programs for Manitoba farmers and accounts for these programs separately.

The Corporation is also responsible for the administration of various agricultural-related programs on behalf of the Governments of the Province of Manitoba and Canada.

(B) Premiums, and Matching Government Contributions

The Corporation recognizes as revenue all premiums earned on crop policies in force during the year. The insurance premium rates are adjusted annually to maintain a breakeven position, based on crop loss experience.

An agreement between the Governments of the Province of Manitoba and Canada provides for the matching of insurance premiums collected from insured persons under the General Crop Insurance Program. The matching contributions from the Governments of the Province of Manitoba, and Canada are shown as revenue.

(C) Administrative Expenses

The agreement between the Governments of the Province of Manitoba and Canada, referred to in section (B) of this note, also stipulates that all administrative expenses relating to the General Crop Insurance Program will be shared equally by the Governments of the Province of Manitoba and Canada. In addition, under a special agreement, the start-up costs for the administration of the Revenue Protection component of the Gross Revenue Insurance Plan will also be shared equally by the Governments of the Province of Manitoba and Canada. Administrative expenses relating to the Hail Insurance Program are recovered from the insured farmers. The administrative expenses applicable to the other Programs have been allocated on a basis approved by the Board of Directors. The unfunded pension provision shown in Note 2(D), has not been included in the Administrative Expenses of the Corporation, and accordingly has not been allocated to any of its Programs.

2. Significant Accounting Policies (continued)

(D) Pensions

In accordance with the provisions of The Manitoba Civil Service Superannuation Act, the Corporation contributes 50% of the pension disbursements made to retired employees. Such payments are charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation Fund. On the basis of an actuarial report, the unfunded provision for the Corporation's employees amounted to the following:

	Unfunded Pension Provision	
	December 31, 1990	December 31, 1989
General crop insurance	$ 1,957,294	$ 1,860,430
Hail insurance	489,323	465,107
Total	$ 2,446,617	$ 2,325,537

(E) Fixed Assets

Furniture and equipment purchases are charged to operations in the year of acquisition.

3. Term Deposits

The Minister of Finance has invested $3,500,000 (1990 - $3,000,000), on behalf of the Corporation, on account of The Hail Insurance Program.

4. Reinsurance Funds - General Crop Insurance

In accordance with the terms of a reinsurance agreement between the Governments of the Province of Manitoba and Canada and the Corporation, the Province of Manitoba, and Canada, maintain separate reinsurance accounts. The Corporation is liable for reinsurance premiums to the Crop Reinsurance Fund of Manitoba and the Crop Reinsurance Fund of Canada for Manitoba, based on premiums collected plus the matching portion paid by the Governments of Canada and Manitoba. When indemnities are in excess of the Corporation's reserve and certain other conditions are met, transfers are made from the Crop Reinsurance Funds to the Corporation. Interest is neither credited nor charged to the Funds by Manitoba or Canada.

4. Reinsurance Funds - General Crop Insurance (continued)

The Crop Reinsurance Fund accounts maintained by the Province of Manitoba are as follows:

Banking Facility Account balance, March 31, 1991	$10,868,252
Add:	
Reinsurance premiums payable to the Banking Facility Account	1,169,397
Adjusted Balance, March 31, 1991	12,037,649
Balance of Outstanding Advances from the Province of Manitoba, March 31, 1991	45,106,077
Accumulated net deficit in the Crop Reinsurance Fund accounts of the Province of Manitoba, March 31, 1991	$33,068,428

The Crop Reinsurance Fund account maintained by the Government of Canada is as follows:

Crop Reinsurance Fund account balance, March 31, 1990	$77,135,224
Deduct premiums, Reinsurance Fund of Canada for Manitoba (Exhibit B)	12,037,649
Accumulated net deficit in the Crop Reinsurance Fund account of the Government of Canada, March 31, 1991	$65,097,575

Deficits in the Crop Reinsurance Fund accounts of the Province of Manitoba, and Canada, are repayable when there is a surplus in the Reserve for the Payment of Indemnities in excess of the total premiums for that year.

No provision has been made in the accounts of the Manitoba Crop Insurance Corporation to recognize the accumulated deficits in the Crop Reinsurance Fund accounts.

5. Advance from the Government of the Province of Manitoba

When necessary, there is a provision for the Corporation to receive interest free working capital advances. The advances received to date are on account of the General Insurance Program.

6. Other Programs

(A) Statement 1 The Corporation administers the Canada-Manitoba Waterfowl Crop Damage Compensation Program. This program is cost shared between Canada and Manitoba (50/50) and Canada's share of the expenditures is remitted directly to the Province of Manitoba.

(B) Statement 2 Effective September, 1989, the Corporation assumed responsibility for the administration of the National Tripartite Stabilization Program (N.T.S.P.) on behalf of the Government of the Province of Manitoba. The N.T.S.P. provides price stabilization to producers for seven commodities in Manitoba (cattle, hogs, lambs, honey, sugar beets, beans and onions). The price stabilization payments to the producers are made directly by the Government of the Province of Manitoba.

Premiums for this Program are shared equally between Canada, Manitoba, and the Producers. The Producer premiums are collected by the Manitoba Crop Insurance Corporation, and then transferred to the Government of the Province of Manitoba. The expenses incurred by the Corporation in administering this Program are recovered from the Government of the Province of Manitoba. The administrative duties assumed by the Corporation for this Program include enrolment assistance and verification, information collection, and the ongoing monitoring of the Producers for compliance with the Program's requirements.

(C) Statement 3 Effective December, 1989, the Corporation assumed responsibility for the administration of the Livestock Development Program which provides assistance to cattle and lamb producers to offset some of their feed costs. Assistance payments under this Program are made to the Producers by the Corporation. The Corporation recovers these assistance payments from the Government of the Province of Manitoba, and is also reimbursed for the administrative costs associated with this Program.

(D) Statement 4 Effective June, 1990, the Corporation assumed responsibility for the administration of the Canada-Manitoba Crop Loss Compensation Program under the 1990 Special Income Assistance Agreement between the Governments of the Province of Manitoba and Canada. The program provides income assistance to producers who suffered income losses in the crop and fur sectors. Under the agreement Canada is responsible for the payments to producers as well as the administrative expenses incurred.

(E) Statement 5 Effective January, 1991, the Corporation assumed responsibility for the administration of the cost-sharing agreement for the Revenue Protection component of the Gross Revenue Insurance Plan for crops. Both the Governments of the Province of Manitoba and Canada agreed to share equally the start-up costs for administration of the Revenue Protection component.

7. Change in Accounting Policy

For the year ended March 31, 1991, the Corporation changed its accounting policy for the recognition of Government contributions revenue. The contributions made by the Governments of the Province of Manitoba, and Canada, towards the sharing of the premiums collected from the persons insured under the General Crop Insurance Program, are now being recognized as revenue by the Corporation on an accrual basis. Previously, these contributions were made only by the Government of Canada, and were recognized as revenue by the Corporation on a cash basis.

The effect of this change is to increase the Corporation's revenues for the year ended March 31, 1991, by $2,222,050, and to increase its accounts receivable by an equal amount.

This change in accounting policy has been made on a prospective basis, in conjunction with a change in the terms of the General Crop Insurance Program agreement for the March 31, 1991 fiscal year. Retroactive application would not be consistent with the terms of the agreements in force for the previous years.

8. Western Grain Stabilization Deductions

The Manitoba Crop Insurance Corporation, as a designated purchaser under the Western Grain Stabilization Act (W.G.S.A.), remits levy deductions made from indemnity settlements on those insureds participating in the W.G.S.A. program. For the fiscal year ended March 31, 1991 the related transactions are as follows:

Levy deductions made	$ 900,364
Remitted to Western Grain Stabilization Administration	900,364
Balance, March 31, 1991	$ -

9. Comparative Figures

Certain comparative figures on the financial statements have been restated to conform with the presentation of the current year.

Statement 1

MANITOBA CROP INSURANCE CORPORATION

Canada-Manitoba Waterfowl Crop Damage Compensation Program Statement of Revenue and Expenditure for the year ended March 31, 1991

	1991	1990
Revenue (Note 6(A)):		
Expenditures recovered from the Government of the Province of Manitoba	$ 142,242	$ 246,559
Expenditure (Note 6(A)):		
Indemnities	$ 125,997	$ 231,420
Administrative expenses	16,245	15,139
	$ 142,242	$ 246,559

MANITOBA CROP INSURANCE CORPORATION

National Tripartite Stabilization Program Statement of Revenue and Expenditure for the year ended March 31, 1991

	1991	(7 months) 1990
Revenue (Note 6(B)):		
Producer premiums	$ 1,798,086	$ 1,104,910
Expenditures recovered from the Government of the Province of Manitoba	423,008	400,405
	$ 2,221,094	$ 1,505,315
Expenditure (Note 6(B)):		
Producer premiums transferred to the Government of the Province of Manitoba	$ 1,798,086	$ 1,104,910
Administrative expenses	423,008	400,405
	$ 2,221,094	$ 1,505,315

Statement 3

MANITOBA CROP INSURANCE CORPORATION

Livestock Development Program
Statement of Revenue and Expenditure
for the year ended March 31, 1991

	1991	(4 months) 1990
Revenue (Note 6(C)):		
Expenditures recovered from the Government of the Province of Manitoba	$ 1,266,388	$ 238,140
Expenditure (Note 6(C)):		
Producer assistance payments	$ 1,158,160	$ 205,249
Administrative expenses	108,228	32,891
	$ 1,266,388	$ 238,140

Statement 4

MANITOBA CROP INSURANCE CORPORATION

Canada-Manitoba Crop Loss Compensation Program
Statement of Revenue and Expenditure
for the ten months ended March 31, 1991

	1991
Revenue (Note 6(D)):	
Expenditures recovered from the Government of Canada	$ 62,415,378
Expenditure (Note 6(D)):	
Funding assistance payments to producers	$ 61,871,781
Administrative expenses	543,597
	$ 62,415,378

Statement 5

MANITOBA CROP INSURANCE CORPORATION

Revenue Protection-Gross Revenue Insurance Plan
Statement of Revenue and Expenditure
for the three months ended March 31, 1991

	1991
Revenue (Note 6(E)):	
Expenditures recovered from the	
Government of the Province of Manitoba	$ 324,087
Government of Canada	324,087
	$ 648,174
Expenditure (Note 6(E)):	
Administrative expenses	$ 648,174

Deloitte & Touche

Deloitte & Touche
Chartered Accountants

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AUDITORS' REPORT

To the Board of Directors of
Manitoba Development Corporation

We have audited the balance sheet of Manitoba Development Corporation as at March 31, 1991 and the statements of operations and deficit and changes in cash position and the schedules of loans receivable, equity investments, accumulated losses and net divestiture costs, and assistance granted or to be granted for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations and the changes in its cash position for the year then ended in accordance with generally accepted accounting principles.

Deloitte + Touche

Chartered Accountants

Winnipeg, Manitoba
May 24, 1991

MANITOBA DEVELOPMENT CORPORATION
BALANCE SHEET
as at March 31, 1991
(with 1990 figures for comparison)

ASSETS

	1991		1990	
Current Assets				
Bank	$201,472		$104,566	
Deposits - Province			679,191	
Due from the Province (note 4)	78,721		32,374	
Accounts receivable	3,507		29,764	
Provision for divestiture recoveries (note 7)	176,278		1,033,791	
Total		459,978		1,879,686
Investment Assets				
Loans made prior to 1977	5,349,673		6,024,113	
Less: Allowance for loss	0		(200,337)	
Total		5,349,673		5,823,776
Asset Managed for the Province, Part II				
Loans receivable, Schedule 1	17,481,962		15,734,951	
Equity investments, Schedule 2	11,541,651		6,570,239	
Total		29,023,613		22,305,190
Fixed Assets				
Furniture and equipment, less accumulated depreciation of $0 (1990 - $69,995) (note 2d)		20,725		45,146
TOTAL ASSETS		$34,853,989		$30,053,798

The accompanying notes are an integral part of these financial statements

Approved by the Board:

Statement 1

LIABILITIES

	1991		1990	
Current Liabilities				
Accounts payable		$149,048		$70,053
Other Liabilities				
Deferred revenue	92,902		37,494	
Accrued pension liability (notes 2 & 3)	297,000		198,000	
Total		389,902		235,494
Operating advances supplied by the Province , interest bearing		0		4,074,002
Funds provided by the Province, Part II		29,023,613		22,305,190

EQUITY

Equity				
Share capital,authorized and issued 500,000 shares at $100. each	50,000,000		50,000,000	
Deficit, Statement 2	(44,708,574)	5,291,426	(46,630,941)	3,369,059
TOTAL LIABILITIES AND EQUITY		$34,853,989		$30,053,798

Statement 2

MANITOBA DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS AND DEFICIT

For the year ended March 31, 1991
(with 1990 figures for comparison)

	1991		1990	
Part 1				
Revenue				
Loan interest and guarantee fees	$958,478		$799,995	
Cost recoveries (note 5)	162,263		176,967	
Total		1,120,741		976,962
Expenses				
Interest paid	444,296		454,741	
Salaries and benefits	466,198		417,348	
Administration	96,473		132,845	
Total		1,006,967		1,004,934
Operating (Loss) Revenue		113,774		(27,972)
Part II				
Interest earned for Province	1,188,554		768,997	
Interest reimbursed to Province	1,188,554		768,997	
Total		0		0
Net Operating (Loss) Revenue		113,774		(27,972)
Net divestiture recoveries, Schedule 3		1,808,593		3,144,928
Net Income for the Year		1,922,367		3,116,956
Deficit at the beginning of year		(46,630,941)		(49,747,897)
Deficit at the end of year		($44,708,574)		($46,630,941)

The accompanying notes are an integral part of these financial statements.

MANITOBA DEVELOPMENT CORPORATION
STATEMENT OF CHANGES IN CASH POSITION

Statement 3

for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991		1990	
Operating activities				
Net Income for the year	$1,922,367		$3,116,956	
Items not affecting cash flow:				
Depreciation	17,074		6,273	
Allowance for doubtful accounts	(200,337)		50,337	
Accrued pension liability increase	99,000		100,000	
Deferred revenue increase	55,408	1,893,512	23,994	3,297,560
Loan Activities:				
Part I				
Loan principal payments		622,054		468,160
Part II				
Loan principal payments	883,527		1,840,323	
Loans issued	(10,640,581)	(9,757,054)	(10,614,030)	(8,773,707)
Net change in provision for divestiture costs		857,513		(3,588,152)
Net change in other non-cash balances:				
Part I	790,467		(835,181)	
Part II	69,685	860,152	(43,069)	(878,250)
Sale (purchase) of office equipment		7,362		(5,422)
TOTAL		(5,516,461)		(9,479,811)
Financing activities				
Advances from Province of Manitoba:				
Part I	(4,074,002)		684,135	
Part II	9,687,369	5,613,367	8,816,776	9,500,911
Increase in cash		96,906		21,100
Cash at beginning of year		104,566		83,466
Cash at end of year		$201,472		$104,566

The accompanying notes are an integral part of these financial statements.

Schedule 1

MANITOBA DEVELOPMENT CORPORATION
SCHEDULE OF LOANS RECEIVABLE

as at March 31, 1991
(with 1990 figures for comparison)

Part II: (note 1)	1991	1990
Manitoba Industrial Opportunities and Business Support Programs	$22,750,335	$23,805,879
Other programs	2,200,003	2,661,850
	24,950,338	26,467,729
Less allowance for:		
Forgiveness	(5,954,353)	(8,442,327)
Doubtful accounts	(1,514,023)	(2,290,451)
	(7,468,376)	(10,732,778)
Net Loans Receivable	$17,481,962	$15,734,951

The accompanying notes are an integral part of these financial statements.

Schedule 2

MANITOBA DEVELOPMENT CORPORATION
SCHEDULE OF EQUITY INVESTMENTS

as at March 31, 1991
(with 1990 figures for comparison)

Part II:	1991	1990
A.E. McKenzie Co. Ltd.(at cost)	$12,154,000	$12,154,000
Less: Capital restructuring	(6,643,761)	(6,643,761)
Share redemption	(249,998)	
Subtotal	5,260,241	5,510,239
Vision Capital Fund		
Limited Partnership - original cost	1,250,000	1,250,000
- advances	6,210,160	
	7,460,160	
Less: Write-offs and provision for losses	1,178,750	190,000
Subtotal	6,281,410	1,060,000
Equity investments and advances less allowances	$11,541,651	$6,570,239

The accompanying notes are an integral part of these financial statements.

Schedule 3

MANITOBA DEVELOPMENT CORPORATION
SCHEDULE OF ACCUMULATED LOSSES AND NET DIVESTITURE COSTS OF FLYER INDUSTRIES (note 7)

As at March 31, 1990
(with 1990 figures for comparison)

	March 31,1990	Divestiture Costs For 1990/91	March 31,1991
Investment Losses:			
Write off of shares	$34,432,106		$34,432,106
Write off of loan receivable, March 31, 1986	7,280,874		7,280,874
	41,712,980		41,712,980
Less: Proceeds from sale of shares	(1,000,000)		(1,000,000)
Loss on investment	40,712,980		40,712,980
Acquisition Costs, July 15, 1986:			
Liabilities assumed	13,368,068		13,368,068
Less: Assets acquired	(12,905,144)		(12,905,144)
Loss on acquisition	462,924		462,924
Other Costs:			
Write down of assets to realizable value	4,667,926		4,667,926
Bank guarantees	19,959,399		19,959,399
Outstanding cheques	3,450,030		3,450,030
Warranty obligations	17,878,413	(1,870,814)	16,007,599
Fixed asset acquisitions	4,878,781		4,878,781
Write off of loans & interest	3,815,348		3,815,348
Purchase of minority shares	332,522		332,522
Severance payments & consultations	1,246,894		1,246,894
Insurance	500,999		500,999
Occupancy costs	292,953		292,953
Professional fees	690,878	62,221	753,099
Equipment removal	219,928		219,928
Inventory management	313,914		313,914
Sundry	333,090		333,090
	58,581,075	1,808,593	56,772,482
Less Other Proceeds:			
Sales of fixed assets	(3,323,000)		(3,323,000)
Proceeds from work-in-process	(3,016,890)		(3,016,890)
Lease proceeds	(1,368,733)		(1,368,733)
Sundry	(268,672)		(268,672)
	(7,977,295)		(7,977,295)
Net accumulated losses and divestiture costs of Flyer Industries Limited	$91,779,684	($1,808,593)	$89,971,091

The accompanying notes are an integral part of these financial statements.

MANITOBA DEVELOPMENT CORPORATION

Schedule 4

Report of Assistance Granted or to be Granted
for the year ended March 31, 1991

UNDER PART II OF THE DEVELOPMENT CORPORATION ACT:

MANITOBA INDUSTRIAL OPPORTUNITIES PROGRAM

Trimel Corporation Loan - Interest -Free - 5 year term	2,947,000
Macleod-Stedman Inc. Loan - Interest - 5 year Crown Corporation Rate - 7 year term	1,500,000
Western Glove Works Ltd. Loan - Interest - 10 year Crown Corporation Rate - 7 year term	600,000

MANUFACTURING ADAPTATION PROGRAM

Loans - Interest - Crown Corporation borrowing rate less 2% - 5 year term

Snak Tyme Foods Ltd.	50,000
Equinox Industries Ltd.	67,500
Cresting Unlimited	35,000
Westland Steel Products Ltd.	32,000
Midland Manufacturing Limited	100,000
WMC Industries Ltd.	30,000
Spectrum Manufacturing Company Limited	50,000
Furgale Industries Ltd.	100,000
Carman Granite & Marble Works	20,185

The accompanying notes are an integral part of these financial statements.

MANITOBA DEVELOPMENT CORPORATION

Notes to Financial Statements
for the year ended March 31, 1991

1. Nature of Operations and Economic Dependence:

The Manitoba Development Corporation (the Corporation) provides loans and guarantees under Part I and Part II of The Development Corporation Act. The activities under Part I and Part II are accounted for separately. Part I activities are accounted for separately. Part I activities are undertaken at the initiative of the Corporation, while Part II activities are at the direction of the Province of Manitoba. The extent of administration relating to Vision Capital is limited to fund disbursement activity. The Corporation's lending operations under Part I were suspended effective November 15, 1977 except since then, further guarantee and loan commitments have been made on the direction of the Province of Manitoba. The Corporation is dependent on the Province of Manitoba for its continued operations.

2. Significant accounting policies:

(a) Losses under Part I are charged against operations of the Corporation. When divestiture costs related to Flyer Industries Ltd. exceed operating profits, they are recoverable from the Province. Losses under Part II are the responsibility of the Province and are charged directly against advances received from the Province.

(b) The employees of the Corporation are not members of the Civil Service of the Province but they contribute to, and are pensionable under the Civil Service Superannuation Fund. In accordance with the provision of the Manitoba Civil Service Superannuation Act, the Corporation contributes 50% of the pension paid to retired employees. The current pension expense is determined on the basis of an actuarial valuation. In addition, the past service obligations are being charged to operations over a ten year period. Payments to pensioners are charged against the liability account.

(c) The Corporation was jointly administered with the Communities Economic Development Fund (CEDF). During the year, CEDF moved to Thompson. Common administrative expenses were reviewed and allocated between CEDF and the Corporation on a proportionate basis. Certain allocations are still under consideration. The differences are not material.

(d) Office furniture and equipment was depreciated at 10% on a straight line basis. During the year, most of the assets were sold. The remaining assets were revalued and the difference was written off as depreciation.

3. Accrued pension liability:

During 1989, the Corporation changed its method of accounting for pension expenses. In fiscal years prior to 1989, the Corporation charged to operations contributions to the Manitoba Civil Service Superannuation Fund which amounted to 50% of the pension payments made to retired employees. Beginning in the 1989 fiscal year, the Corporatio has recorded a provision to fund current service obligations and to fund past service obligations over a ten-year period. On the basis of an actuarial report, the unfunded liability amounted to $316,612 at December 31, 1990 ($366,147 at December 31, 1989). This change in accounting policy for pension expense and obligations has been applied prospectively and has resulted in an additional $199,000 being charged to operations in 1990 and 1991.

4. Due from Province of Manitoba:

The amount due from the Province represents the recoverable balance outstanding for costs or fees incurred by the Corporation on behalf of the following operations:

	1991	1990
The Pas Forestry Complex, (note 6 c)	$9,889	$2,509
Destination Manitoba	26,344	29,865
Manitoba Industrial Opportunities Program	40,000	
Manufacturing Adaptation Program	2,488	
	$78,721	$32,374

5. Recoveries from the Province of Manitoba:

The Corporation is entitled to recover administrative costs for all Part II programs. During the year, the Corporation recovered costs for administering the following programs:

	1991	1990
Tourism Agreement	$4,000	$11,600
Destination Manitoba	60,686	48,298
Manitoba Interest Rate Relief Program		4,909
Manitoba Industrial Opportunities Program	61,981	103,166
Manufacturing Adaptation Program	33,790	8,994
Other	1,806	
	$162,263	$176,967

MANITOBA DEVELOPMENT CORPORATION

Notes to Financial Statements
for the year ended March 31, 1991

6. Contingent Liabilities and Commitments:

(a) Bank Guarantees, Part II:

The Corporation has provided guarantees under the Manitoba Industrial Opportunities Program as follows:

	1991	1990
Gravure Graphics Ltd.	$0	$250,000

(b) Commitments, undisbursed balances of approved loans:

Part II	1991	1990
Vision Capital Fund	$23,789,840	$30,000,000
Manitoba Industrial Opportunities Program	4,312,267	3,322,114
Canada Manitoba Tourism Agreement	474,500	2,196,341
Manufacturing Adaptation Program	575,520	437,868
	$29,152,127	$35,956,323

(c) The Pas Forestry Complex:

In accordance with the terms of an agreement dated March 25, 1975, between Manfor Ltd., the Province and the Corporation, the Corporation has a continuing responsibility to press and defend all claims in connection with the affairs of the several companies comprising The Pas Forestry Complex. All costs incurred by the Corporation in respect of such claims will be reimbursed by the Province.

The remaining funds in the Receiver's accounts will be transferred to the Province when the Receiver settles all outstanding legal issues.

(d) New Flyer Industries Limited:

Under the terms of the Divestiture Agreement described in Note 7, the Manitoba Development Corporation is contingently liable for and the Province of Manitoba is ultimately responsible for a bank guarantee, performance bonds, litigation and contingencies.

7. Flyer Divestiture:

On July 15, 1986, the Manitoba Development Corporation entered into an agreement with BV Carrosseriefabriek den Oudsten en Zonen by which the Corporation divested itself of its interest in Flyer Industries Limited. Under the terms of this agreement, the shares were sold to BV Carrosseriefabriek den Oudsten en Zonen for $1,000,000 and the Corporation contracted to receive certain revenues and pay certain costs as described in Schedule 3. The net divestiture cost and accumulated losses is estimated to be $106 million allocated as follows:

MDC Schedule 3	$89,971,091
Province of Manitoba	14,065,000
Total	$104,036,091

The net divestiture costs and accumulated losses of $89,971,091, related to the Corporation are comprised of payments, net of receipts, to March 31, 1991 of $89,794,813 and a provision of $176,278 for future anticipated net recoveries. A summary of changes in the provision account is as follows:

Balance, March 31, 1990		$1,033,791
Less:		
Reduction for payments (net of receipts)	($951,080)	
Divestiture cost recoveries, Schedule 3	1,808,593	857,513
Balance, March 31, 1991		$176,278

Deloitte &
Touche

Deloitte & Touche
Chartered Accountants
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AUDITORS' REPORT

To the Board of Directors of
The Manitoba Energy Authority

We have audited the balance sheet of The Manitoba Energy Authority as at March 31, 1991 and the statement of operations and accumulated receipts for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Deloitte & Touche

Chartered Accountants

Winnipeg, Manitoba
May 10, 1991

THE MANITOBA ENERGY AUTHORITY

BALANCE SHEET

	March 31, 1991	
	1991	1990
ASSETS		
CURRENT		
Cash	$ 56,105	$ 163,105
Accounts receivable	629,162	385,710
Prepaid expenses	5,706	8,703
	690,973	557,518
FIXED - at cost, less accumulated depreciation (Note 3)	42,109	54,358
DEFERRED PENSION COSTS	263,310	155,872
OTHER ASSETS, at cost	4,336	4,336
PROVINCE OF MANITOBA RECEIVABLE - unfunded pension costs	87,685	-
	$ 1,088,413	$ 772,084
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 503,823	$ 426,157
UNFUNDED PENSION OBLIGATIONS	540,213	345,090
	1,044,036	771,247
SURPLUS		
ACCUMULATED RECEIPTS	44,377	837
	$ 1,088,413	$ 772,084

THE MANITOBA ENERGY AUTHORITY

STATEMENT OF OPERATIONS AND ACCUMULATED RECEIPTS

	Year Ended March 31	
	1991	1990
RECEIPTS		
Grant receipts	$ 3,102,685	$ 2,065,227
Miscellaneous receipts	6	212
	3,102,691	2,065,439
EXPENSES		
Personnel services	770,011	744,925
Travel	64,109	124,286
Communications	18,789	32,788
Rentals	109,429	102,825
Professional services	171,677	242,088
Depreciation and amortization	12,249	14,768
Other operating	37,333	45,240
Silicon Products Commercial Development Program (Note 4)	1,875,554	740,555
	3,059,151	2,047,475
NET RECEIPTS FOR THE YEAR	43,540	17,964
ACCUMULATED RECEIPTS (DEFICIENCY), BEGINNING OF YEAR	837	(17,127)
ACCUMULATED RECEIPTS, END OF YEAR	$ 44,377	$ 837

THE MANITOBA ENERGY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 1991

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1. AUTHORITY AND MANDATE

The Manitoba Energy authority is incorporated under a specific statute in the Province of Manitoba, being "The Manitoba Energy Authority Act" Chapter E112 of the Continuing Consolidation of the Statutes of Manitoba.

The Authority is responsible for the following:

a) Developing and implementing policies to ensure the long-term stability and availability of electrical energy supply to Manitobans.

b) Through its Electrical Energy marketing Committee, for negotiating export sales of electrical energy with other provincial utilities and with utilities in the United States.

c) For promoting the establishment, development and operation of energy intensive industries within the province.

d) For co-ordinating all governmental and Manitoba Hydro activities related to industrial and employment benefits associated with the Limestone Generating Station Project.

The annual budget of the Authority is provided by way of grants from an appropriation of the Province of Manitoba's Consolidated Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Pension Costs

Pursuant to Section 29 of The Manitoba Energy Authority Act, the Lieutenant Governor in Council has directed that The Civil Service Superannuation Act apply to employees who were employed under The Civil Service Act immediately prior to becoming employed as officers or employees of The Manitoba Energy Authority effective the date on which they become employed with The Manitoba Energy Authority. In accordance with the provisions of The Civil Service Superannuation Act, the Authority is required to contribute 50% of the pension disbursement made to its retired employees. There has been no funding of pension obligations to date.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Pension (continued)

The cost of pension benefits provided in exchange for employees' service rendered in the period are determined using the projected benefit method prorated on services. Deferred pension costs represent the unamortized present value of the pension plan deficit which arose on commencement of the plan. Deferred pension costs are being amortized on a straight-line basis over a period of 20 years.

The triennial actuarial valuation provided for under The Civil Service Superannuation Act was completed in 1991 for December 31, 1989. As a consequence of additional, new staff participation in the plan since the last valuation date, the Authority's future obligations increased by $122,744. This experience loss is being amortized on a straight line basis over a period of 20 years.

The Authority has also established a Money Purchase Pension Plan for those employees who do not contribute to The Civil Service Superannuation Fund. This Plan provides for full vesting after a qualifying period by the employees. Both the Authority and the employees contribute to the Plan on the basis of the employees' regular salary.

b) Depreciation

Depreciable assets other than leasehold improvements are depreciated at the rate of 20% per year on the declining-balance basis.

Leasehold improvements are amortized on the straight-line method over the life of the lease, a period of five years.

3. FIXED ASSETS

The major categories of fixed assets and related accumulated depreciation as at March 31, 1991 are as follows:

	1991			1990
	Cost	Amortization and Accumulated Depreciation	Net Book Value	Net Book Value
Furniture and office equipment	$ 82,833	$ 60,087	$ 22,746	$ 28,432
Computer equipment	69,772	52,223	17,549	21,936
Leasehold improvements	10,649	8,835	1,814	3,990
	$ 163,254	$ 121,145	$ 42,109	$ 54,358

4. SILICON PRODUCTS COMMERCIAL DEVELOPMENT PROGRAM

The Authority has entered into a Memorandum of Understanding dated November 1, 1988 with Dow Corning Corporation of Midland, Michigan which provides for the establishment of a Joint Program known as the Silicon Products Commercial Development Program.

The Joint Program is undertaken pursuant to detailed staged or Subsidiary Agreements which include source of funding for the work to be undertaken. A Stage I Subsidiary Agreement was executed as of November 1, 1988 and work completed in October 1989 at a cost to the Authority of $253,607.

A Stage II Subsidiary Agreement was executed October 1, 1989 and amended September 21, 1990 which commits the Authority to provide funding not to exceed $6,664,800, by way of loans, in the following amounts for the years ending March 31:

1990	$ 602,000
1991	3,126,000
1992	1,660,000
1993	1,276,800

Financial assistance by the Authority is repayable by Dow Corning Corporation, subject to certain conditions. Repayment is not virtually certain nor, in the event that it may be, is the repayment period readily identifiable. Accordingly, the Authority is expensing its financial contributions to the Joint Program.

5. FUTURE COMMITMENTS

Future minimum rental payments required under operating leases for the year ending March 31 are as follows:

1992	$ 69,577

The Authority has also entered into consulting contracts and other agreements which have a potential future obligation of approximately $18,750 (1990 - $27,986).

6. STATEMENT OF CHANGES IN FINANCIAL POSITION

A statement of changes in financial position has not been included as the changes in financial position are evident from the balance sheet and statement of operations and accumulated receipts.

7. COMPARATIVE FIGURES

Certain of the prior year's comparative figures have been reclassified to conform with the current year's presentation.

8. SUBSEQUENT EVENT

Subsequent to the end of the fiscal year, the Government of the Province of Manitoba decided that the Authority would be wound down. The effective date for the cessation of corporate activities has yet to be determined. However, certain ongoing functions of the Authority, in particular the Silicon Products Commercial Development Program (Note 4) are being transferred to the Manitoba Department of Industry, Trade and Tourism as and from April 1, 1991. Funding has been provided for continuation of the Program in the Department in accordance with the agreement.

No appropriation of the Consolidated Fund (Note 1) for the Authority's operations has been provided for the year ending March 31, 1992. However, provision from and out of the Province's "Internal Reform, Workforce Adjustment and General Salary Increases" appropriation is available for implementation of the Authority's wind down.

In accordance with the provincial policies regarding the disposal of assets, the Authority intends to transfer title to all of its assets to the Province of Manitoba. Similarly, all liabilities will be discharged effective the final date for wind down.

Financial statements will be prepared on the wind down of the Manitoba Energy authority.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Habitat Heritage Corporation as at March 31, 1991 and the statements of revenue, expenditure and funds available for future operations for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H Jackson

Winnipeg, Manitoba
September 6, 1991

F. H. Jackson, CA
Provincial Auditor

THE MANITOBA HABITAT HERITAGE CORPORATION

BALANCE SHEET AS AT MARCH 31, 1991
(with 1990 figures for comparison)

ASSETS	1991	1990
Current:		
Cash	$393,873	$ 57,768
Accounts receivable	115,188	27,738
	509,061	85,506
Deferred charges	85,823	--
Fixed assets (Note 4)	485,062	337,104
	$1,079,946	$422,610

LIABILITIES AND FUND BALANCES		
Accounts payable and accrued liabilities	$247,182	$ 26,108
Deferred revenue	85,823	--
Investment in fixed assets (Note 5)	485,062	337,104
Funds available for future operations		
- North American Waterfowl Management Plan	251,081	--
- Critical Wildlife Habitat Program	10,798	59,398
	$1,079,946	$422,610

THE MANITOBA HABITAT HERITAGE CORPORATION
NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

Statement of Revenue, Expenditures and Funds Available For Future Operations for the year ended March 31, 1991

	1991
Revenue:	
Grant from the Government of the Province of Manitoba	$360,000
Grant from Environment Canada, Canadian Wildlife Service	200,000
Interest	4,034
Total revenue	564,034
Expenditures:	
Habitat activities:	
Agricultural demonstrations	17,146
Land securement	114,013
Land development	86,400
Land management	5,122
General and administrative:	
Salaries and benefits	3,366
Board expenses	15,306
Computer operations	6,378
Professional fees	30,298
Contract services	15,236
Rent	1,837
Furniture and fixtures	6,097
Other	11,754
Total expenditures	312,953
Revenue over expenditures	251,081
Funds available at beginning of year	--
Funds available at end of year	$251,081

The accompanying notes are an integral part of these financial statements.

THE MANITOBA HABITAT HERITAGE CORPORATION
CRITICAL WILDLIFE HABITAT PROGRAM

Statement of Revenue, Expenditures and Funds Available for Future Operations for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Revenue:		
Grant from the Government of the Province of Manitoba	$100,000	$200,000
Project cost recoveries	30,267	55,674
Contributions and donations	51,700	1,400
Land lease	3,244	2,824
Interest	1,195	6,543
Miscellaneous	542	--
	186,948	266,441
Expenditures:		
Project-related costs:		
Enhancements	20,470	78,255
Acquisitions	139,507	66,683
Easements	44,502	17,018
Research studies	--	8,000
Public information	10,617	22,797
Property taxes	3,306	2,082
Appraisal fees	637	1,225
Seminar costs	--	5,328
Grants:		
Turtle River Watershed Conservation District	7,500	5,000
Whitemud Watershed Conservation District	2,500	--
Lac du Bonnet Senior School	1,281	--
General and administrative:		
Professional fees	3,550	5,550
Stationery supplies	1,584	--
Board expenses	58	4,433
Bank charges	36	88
	235,548	216,459
Revenue over (under) expenditures	(48,600)	49,982
Funds available at beginning of year	59,398	9,416
Funds available at end of year	$ 10,798	$ 59,398

The accompanying notes are an integral part of the financial statements.

THE MANITOBA HABITAT HERITAGE CORPORATION

Notes to the Financial Statements
March 31, 1991

1. Nature of Organization

The Manitoba Habitat Heritage Corporation (MHHC) was established in February, 1986 as a Crown Corporation under The Manitoba Habitat Heritage Act. The objectives of the Corporation are the conservation, restoration and enhancement of Manitoba fish and wildlife habitat and the fish and wildlife populations. Donations to the Corporation are tax deductible by the donor pursuant to paragraph 110(1)(b) of the Income Tax Act, as gifts to Her Majesty. The program of MHHC is divided into two distinct initiatives, the Critical Wildlife Habitat Program (CWHP) and the North American Waterfowl Management Plan (NAWMP).

2. Significant Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles for non-profit organizations:

a) Fixed assets, with the exception of donated land, are valued at cost and are charged to operating expenditures in the year of acquisition. Donated land is valued at the appraisal value at the acquisition date. Fixed assets are capitalized with a corresponding amount being reflected in investment in fixed assets.

b) Depreciation is recorded on a straight-line basis over the estimated useful life of the asset at the rates indicated. The fixed asset account is reduced by the annual depreciation with a corresponding reduction in the investment in fixed asset account. Depreciation commences in the month following acquisition of the asset. Depreciation has no impact on operations.

Computer hardware	- 20%
Computer software	- 33%
Equipment	- 10%
Furniture & fixtures	- 10%

c) Professional and administrative support is provided by Fisheries and Wildlife Branches staff of the Department of Natural Resources at no cost to the Corporation. This support is estimated to be approximately $169,700 (1990 - $85,000). These costs are not reflected in these financial statements.

d) Amortization of deferred charges/deferred revenues:

Five year term critical wildlife agreements subject to a one-time initial payment are amortized over the term of the agreements. The unamortized portion of the payment is reflected as deferred charges. The corresponding portion of the project cost recoveries covering the agreements is also amortized over the term of the agreements. The unamortized portion of the revenue is reflected as deferred revenue.

THE MANITOBA HABITAT HERITAGE CORPORATION

Notes to the Financial Statements
March 31, 1991

3. Change in Accounting Policy

The Corporation changed its accounting policy to provide depreciation on its fixed assets as described in Note 2b. The change was made retroactive to the original acquisition dates and resulted in a reduction of $6,679 in fixed assets and a corresponding reduction in investment in fixed assets as reflected in Note 5.

4. Fixed Assets

Asset	Acquisition Value	Accum. Depreciation	Net Book Value 1990/91	Net Book Value 1989/90
Land donated (1988)	$ 13,000	-	$ 13,000	$ 13,000
Land purchased	434,621	-	434,621	295,114
Computer hardware	10,533	$ 2,043	8,490	3,441
Computer software	415	-	415	-
Equipment	31,099	8,660	22,439	25,549
Furniture & fixtures	6,097	-	6,097	-
	$495,765	$10,703	$485,062	$337,104

5. Investment in Fixed Assets

Balance, beginning of year	$343,783
Deduct: Retroactive depreciation adjustment	6,679
Restated balance, beginning of year	337,104
Add: Acquisitions	151,982
Deduct: Depreciation	4,024
Balance, end of year	$485,062

6. Commitments

a) The Corporation leases parcels of land for wildlife habitat. The future minimum lease payments for each of the next five years are:

1992	$15,262
1993	11,232
1994	7,592
1995	2,341
1996	403

b) The Corporation leases office space for an annual base rent of $28,308, payable for each year from 1991 to 1996.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of Manitoba Hazardous Waste Management Corporation as at December 31, 1990 and the statements of operations and deficit, and changes in cash resources for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at December 31, 1990 and the results of its operations and deficit and changes in its cash resources for the year then ended in accordance with the accounting policies described in note 2 to the financial statements.

Fred H. Jackson

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
February 15, 1991

MANITOBA HAZARDOUS WASTE MANAGEMENT CORPORATION

Balance Sheet

As at December 31, 1990
(with 1989 figures for comparison)

	1990	1989
ASSETS		
Current		
Cash	$40,957	$418,714
Accounts receivable and accruals	52,139	67,644
Prepaid expenses	6,199	6,634
Inventory, at cost	5,376	6,284
Total current assets	104,671	499,276
Fixed Assets (Note 4)		
Vehicle	8,320	11,886
System Development (Notes 2b,3)	5,193,688	3,224,352
TOTAL ASSETS	$5,306,679	$3,735,514
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$156,722	$236,248
Accrued interest due to the Province of Manitoba	101,527	27,980
Unearned revenue	210	210
Total current liabilities	258,459	264,438
Long-term		
Advances from the Province of Manitoba (Note 5)	3,250,000	1,350,000
Unearned revenue	420	630
Total long-term liabilities	3,250,420	1,350,630
EQUITY		
Share Capital (Note 5)	2,500,000	2,500,000
Authorized 350,000 shares for a maximum consideration of $35,000,000		
Issued and fully paid - 25,000 shares		
Deficit	702,200	379,554
TOTAL LIABILITIES AND EQUITY	$5,306,679	$3,735,514

The accompanying notes are an integral part of the financial statements.

MANITOBA HAZARDOUS WASTE MANAGEMENT CORPORATION

Statement of Operations and Deficit

Year Ended December 31, 1990
(with 1989 figures for comparison)

	1990	1989
PUBLIC WASTE MANAGEMENT PROGRAMS (Note 6)		
Contribution from other organizations	$ -	($9,940)
General and administrative expenses		
Wages and benefits	85,137	40,657
Indirect expenses	25,742	15,313
Direct operating expenses	130,180	84,921
Net public waste management program expenditures	241,059	130,951
OPERATIONAL WASTE MANAGEMENT PROGRAMS (Note 7)		
Revenues		
PCB management	(4,927)	(29,750)
Hazardous waste management	(118,228)	(58,144)
General and administrative expenses		
Wages and benefits	70,651	57,832
Indirect expenses	39,439	45,114
Direct operating expenses	94,652	41,584
Net operational waste management program expenditures (surplus)	81,587	56,636
NET LOSS FOR THE YEAR	322,646	187,587
DEFICIT, BEGINNING OF YEAR	379,554	191,967
DEFICIT, END OF YEAR	$702,200	$379,554

The accompanying notes are an integral part of the financial statements.

MANITOBA HAZARDOUS WASTE MANAGEMENT CORPORATION

Statement of Changes in Cash Resources

As at December 31, 1990
(with 1989 figures for comparison)

	1990	1989
CASH PROVIDED BY (USED FOR)		
Operating Activities		
Loss from Operations	($322,646)	($187,587)
Items not requiring cash outflows		
Depreciation	3,566	5,094
	(319,080)	(182,493)
Changes in working capital		
Accounts receivable and accruals	15,505	(61,494)
Inventory, at cost	908	(386)
Prepaid expenses	435	(884)
Accounts payable and accrued liabilities	(79,526)	(64,686)
Accrued interest due to the Province of Manitoba	73,547	27,980
Unearned revenue	(210)	840
	10,659	(98,630)
	(308,421)	(281,123)
CAPITAL EXPENDITURES		
Vehicle	-	(895)
System Development (Notes 2b,3)	(1,969,336)	(1,752,563)
	(2,277,757)	(2,034,581)
FINANCING ACTIVITIES		
Issuance of share capital	-	600,000
Advance from the Province of Manitoba	1,900,000	1,350,000
CASH (REQUIRED) PROVIDED	(377,757)	(84,581)
CASH, BEGINNING OF YEAR	418,714	503,295
CASH, END OF YEAR	$40,957	$418,714

The accompanying notes are an integral part of the financial statements.

MANITOBA HAZARDOUS WASTE MANAGEMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 1990

1. STATUS OF THE CORPORATION

The Manitoba Hazardous Waste Management Corporation was established as a Crown Corporation under the Manitoba Hazardous Waste Management Corporation Act S.M. 1986, c.10. Under the provisions of the Act, the Corporation will establish and operate a hazardous waste management system which will safely dispose of hazardous waste in accordance with regulations and standards prescribed by the Province of Manitoba. The Corporation also promotes protection of health and safety and the preservation of the environment.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Reporting
The financial statements have been prepared in accordance with generally accepted accounting principles.

b) Amortization of System Development
System development costs, including related general and administrative costs, are capitalized to reflect the Government's investment in the development of the Province's hazardous waste management system. The investment will be amortized over the useful economic life of the facility when it becomes operational.

c) Fixed Assets
Fixed assets are recorded at cost. Depreciation is computed on the declining balance to amortize the cost over the estimated useful life.

3. SYSTEM DEVELOPMENT

The transactions pertaining to the system development costs are as follows:

	1990	1989
Opening Balance for Year:	$ 3,224,352	$1,471,789
Office Operating	1,361,909	1,074,580
Source Based Management & Market Identification	21,757	17,492
Facilities Development	190,445	289,737
Site Selection & Assessment	207,221	234,589
External Affairs - Open Houses	188,004	136,165
Closing Balance for Year:	$ 5,193,688	$3,224,352

4. FIXED ASSETS

	Cost	Accumulated Depreciation	1990 Net	1989 Net
Vehicle	$16,980	$8,660	$8,320	$11,886

The depreciation expense of $3,566 is allocated to operational waste management programs ($1,783) and public waste management programs ($1,783).

5. CAPITAL AUTHORITY

The Government of the Province of Manitoba has authorized the following amounts for funding the Corporation's activities.

		AMOUNT DRAWN	
Authority	Amount Authorized	To Purchase Shares	To Obtain Interest Bearing Advances
The Loan Act (2) 1986	$ 2,500,000	$ 2,500,000	
The Loan Act 1988	$ 2,200,000		$ 2,200,000
The Loan Act 1989	$ 2,100,000		$ 1,050,000
The Loan Act 1990	$ 1,211,000		

The Corporation was originally established without share capital with funding provided by interest bearing advances from the Government of the Province of Manitoba. Amendments to the Manitoba Hazardous Waste Management Corporation Act on July 17, 1987 provided for up to 350,000 shares to be issued for a maximum consideration of $35,000,000. On February 4, 1988, by Order-in-Council 111/88, the outstanding interest bearing advances were retroactively converted into shares held by the Minister of Finance of Manitoba. Under Order-in-Council 111/88, the Corporation issued share certificates to the Minister of Finance in exchange for equity financing.

Since August, 1989, the Corporation has received advances which bear interest at rates equivalent to the bank prime lending rate. The advances are repayable at any time in whole or in part at the option of the Lieutenant Governor in Council.

6. PUBLIC WASTE MANAGEMENT PROGRAMS

Waste Disposal and related expenses incurred by the Corporation for funding public services were previously provided by the Department of Environment.

7. OPERATIONAL WASTE MANAGEMENT PROGRAMS

The Corporation provides waste management services related to PCB waste management, general waste brokerage and services to regulatory authorities.

8. INCOME TAX

The Corporation is owned by the Government of the Province of Manitoba and is therefore exempt from income tax.

9. LEASES

The Corporation is committed to a five-year lease with A & L Realty Limited for office space at 530 Century Street. The remaining lease obligation is as follows:

1991	$ 69,455
1992	$ 23,152

10. ECONOMIC DEPENDENCE

The Corporation is currently mainly economically dependent on the Government of the Province of Manitoba.

11. IMPUTED INTEREST COST INFORMATION

The following information is supplied in accordance with the request of the Minister of Finance.

The annual borrowing cost to the Government for the average investment of $2,500,000 in share capital at the weighted average rate of 10.6% paid by the Government in respect of its accumulated debt is $262,500.

12. CASH HELD ON BEHALF OF THE CORPORATION CLIENTS

The Corporation holds $6,984 on behalf of clients in lieu of irrevocable letters of guarantee to cover the future handling, treatment and disposal costs of PCB contaminated material. This amount has not been reflected in these financial statements.

13. COMPARATIVE FIGURES

Certain of the 1989 figures have been reclassified to conform with the 1990 presentation.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Health Research Council as at March 31, 1991 and the statement of revenues, expenditures and fund balances for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 3 to the financial statements.

Winnipeg, Manitoba
September 24, 1991

F. H. Jackson, CA
Provincial Auditor

THE MANITOBA HEALTH RESEARCH COUNCIL

Balance Sheet
as at March 31, 1991

ASSETS	1991	1990
Cash and short term investments	$ 3,809,683	$ 2,777,461
Grants receivable from Manitoba Lotteries Foundation	-	203,053
Accrued interest receivable	18,709	9,364
	$ 3,828,392	$ 2,989,878
LIABILITIES AND UNEXPENDED FUNDS		
Current Liabilities		
Accounts payable	$ 14,053	$ 3,899
Research grants payable	1,143,697	763,322
	1,157,750	767,221
Non-current research grants payable	70,000	75,000
	1,227,750	842,221
Unexpended Funds		
Reserve for the Strategic Health Research Development Fund	2,243,216	1,649,792
Reserve for General Fund	357,426	497,865
	2,600,642	2,147,657
	$ 3,828,392	$ 2,989,878

Approved on behalf of Council:

Director

Henry Friesen

Director

THE MANITOBA HEALTH RESEARCH COUNCIL

Statement of Revenues, Expenditures and Fund Balances for the year ended March 31, 1991.

	Strategic Health Research Development Fund	General Fund	1991	1990
REVENUES:				
Grants:				
Province of Manitoba	$1,000,000	$1,947,300	$2,947,300	$2,000,000
Manitoba Lotteries Fdn.	-	-	-	1,947,306
Returned grant funds	-	43,181	43,181	78,068
Interest	265,972	58,384	324,356	273,081
	1,265,972	2,048,865	3,314,837	4,298,455
EXPENDITURES:				
Research grants	624,594	2,141,350	2,765,944	2,714,336
Administration expenses	47,954	47,954	95,908	76,334
	672,548	2,189,304	2,861,852	2,790,670
Revenues over(under) expenditures	593,424	(140,439)	452,985	1,507,785
FUND BALANCES:				
Beginning of year	1,549,792	497,865	2,147,657	639,872
End of year	$2,243,216	$ 357,426	$2,600,642	$2,147,657

THE MANITOBA HEALTH RESEARCH COUNCIL

Administration Expenses
for the year ended March 31, 1991

	1991	1990
Accounting and audit	$ 3,450	$ 3,100
Bank charges	131	125
Council and committee expenses	2,993	782
Insurance	125	125
Office equipment	(43)	2,595
Postage and delivery	2,027	1,350
Printing and stationery	12,754	3,757
Salary and benefits	73,973	64,018
Telephone	498	482
Total administration expenses	$ 95,908	$ 76,334

THE MANITOBA HEALTH RESEARCH COUNCIL

Notes to the Financial Statements
for the year ended March 31, 1991

1. INCORPORATION AND FUNCTION

The Manitoba Health Research Council was established by The Manitoba Health Research Council Act to promote and assist basic, clinical and applied research in the health sciences in Manitoba. The Council relies entirely on grants from the Province of Manitoba through the Department of Health for continued existence.

2. CHARITABLE STATUS

The Manitoba Health Research Council is a registered charity within the meaning of the Income Tax Act.

3. SIGNIFICANT ACCOUNTING POLICIES

a) An accrual basis of accounting is used except for office equipment purchases, which are charged to expenditures in the year of acquisition.

b) Research grants are charged to expenditures when funding is approved by the Council.

c) Administration expenses are allocated equally to the General Fund and the Strategic Health Research Development Fund.

d) Interest income is allocated to the General Fund and the Strategic Health Research Development Fund based on the monthly balance of each fund.

4. STRATEGIC HEALTH RESEARCH DEVELOPMENT PROGRAM

The Province of Manitoba established a fund of $4 million to be allocated to qualified research and development projects in the health industry sector in Manitoba. To date $3 million have been received and $1 million are expected to be received in the 1991/92 fiscal year.

5. COMPARATIVE FIGURES

Prior years have been restated to conform to the classifications adopted for the fiscal year ended March 31, 1991.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Health Services Commission as at March 31, 1991 and the statements of revenue and expenditure and working capital account for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 1(i) reflects that the Commission's unfunded pension liability as at March 31, 1991 $21,179,000. Had this unfunded pension liability and the associated pension costs been recorded in the financial statements, the Commission's liabilities would have increased by $21,179,000, the funds available for future operations would have decreased by that amount, and the Commission's pension costs would have increased by $2,293,000 for the year ended March 31, 1991.

In our opinion, except for the failure to record the information referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements.

Winnipeg, Manitoba
June 27, 1991

F. H. Jackson, CA
Provincial Auditor

MANITOBA HEALTH SERVICES COMMISSION
BALANCE SHEET
AS AT MARCH 31, 1991
(With 1990 Figures for Comparison)

ASSETS

	1991	1990
	(thousands of dollars)	
Cash on hand and in bank	$ 2,151	$ 9,083
Funds on deposit, Government of the Province of Manitoba	57,646	61,116
Accounts receivable:		
Government of the Province of Manitoba (Note 6)	542	1,318
Other Provinces and Territories	8,754	5,817
Other	895	1,002
	10,191	8,137
Land, buildings, furniture and equipment at nominal value of one dollar (Note 1)	-	-
	69,988	78,336
Funds held in trust re debenture trust agreements (per contra) (Note 2)	26,355	24,475
	$ 96,343	$102,811

The accompanying notes are an integral part of the financial statements.

Statement A

LIABILITIES

	1991	1990
	(thousands of dollars)	
Accounts payable and accrued charges:		
Hospital and personal care home services:		
Liability for unreported claims	$ 4,456	$ 4,103
Estimated adjustment payments under section 60(2) of The Health Services Insurance Act and other costs, net (Note 7)	24,304	32,736
	28,760	36,839
Medical services claims	26,447	25,072
Pharmacare claims	10,167	9,658
Ambulance grants	835	3,248
Air ambulance	61	58
Northern patient transportation claims	79	91
Other health services claims	2,009	1,808
General	865	838
	69,223	77,612
Working capital account, Statement C	765	724
	69,988	78,336
Funds held in trust re debenture trust agreements (per contra)	26,355	24,475
	$ 96,343	$102,811

APPROVED on behalf of the Board: ____________________

W. K. Ziprick, C.A.
Chairman

Statement B

MANITOBA HEALTH SERVICES COMMISSION

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 1991

(With 1990 Figures for Comparison)

	1991	1990
	(thousands of dollars)	
Revenue:		
Grants from the Government of the Province of Manitoba	$ 1,478,740	$ 1,371,514
Third party recoveries (Note 1)	7,130	6,861
Miscellaneous income	234	344
Total revenue	$ 1,486,104	$ 1,378,719
Expenditure:		
Hospital services:		
Hospitals within the Province	$ 889,534	$ 823,154
Hospitals outside the Province	18,479	15,615
	908,013	838,769
Medical services	254,478	248,077
Personal care home services	221,440	197,743
Pharmacare program	49,818	44,558
Ambulance program	5,578	5,021
Air ambulance program (Note 4)	4,355	3,813
Northern patient transportation program	3,137	2,817
Other health services (Note 5)	18,834	18,405
Administrative expenses, Schedule 1	20,410	19,502
Total expenditure	$ 1,486,063	$ 1,378,705
Revenue over expenditure, Statement C	$ 41	$ 14

The accompanying notes are an integral part of the financial statements.

Statement C

MANITOBA HEALTH SERVICES COMMISSION
STATEMENT OF WORKING CAPITAL ACCOUNT
FOR THE YEAR ENDED MARCH 31, 1991
(With 1990 Figures for Comparison)

	1991	1990
	(thousands of dollars)	
Balance, beginning of year	$ 724	$ 710
Add, revenue over expenditure, Statement B	41	14
Balance, end of year, Statement A	$ 765	$ 724

The accompanying notes are an integral part of the financial statements.

Schedule 1

MANITOBA HEALTH SERVICES COMMISSION
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 1991
(With 1990 Figures for Comparison)

	1991	1990
	(thousands of dollars)	
Salaries and employee benefits	$ 13,637	$ 12,974
Office equipment	2,942	3,016
Professional services	714	664
Stationery and office supplies	710	549
Pension payments (Note 1)	551	509
Postage, express and delivery	446	440
Health and post-secondary education tax levy	305	291
Telephone	230	223
Maintenance of land, building and office equipment	190	168
Travel	159	174
Grant in lieu of realty taxes	140	173
Utilities	120	116
Miscellaneous	107	45
Bank charges	80	80
Commissioners' remuneration	48	39
Building renovations	31	41
	$ 20,410	$ 19,502

The accompanying notes are an integral part of the financial statements.

MANITOBA HEALTH SERVICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1991

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on an accrual basis of accounting except for the following:

(i) PENSION

In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Commission contributes 50% of the pension disbursements made to retired employees. Such payments are charged to expense as incurred. A provision is not made in the accounts to fund current or past service obligations of the Commission to the Civil Service Superannuation Fund. On the basis of an actuarial report, as at December 31, 1989, the unfunded provision on a non-indexed basis for the Commission's employees amounted to $21,179,000 as at March 31, 1991 ($18,886,000 as at March 31, 1990).

(ii) THIRD PARTY RECOVERIES

Third party recoveries are recorded on a cash basis.

(iii) INVENTORIES

Purchases of supplies are charged to operating expenditures as incurred. The Commission does not record the value of supplies on hand as an asset.

(iv) LAND, BUILDINGS, FURNITURE AND EQUIPMENT

Land, buildings, furniture and equipment are charged to operating expenditures in the year of acquisition. As at March 31, 1991, the Commission owns the following fixed assets:

1. Land and buildings of the Rehabilitation Centre for Children, Inc.
2. Land on which the building owned by the Manitoba Adolescent Treatment Centre Inc. is located.
3. Land and buildings of the Deer Lodge Centre Inc.
4. Land and building of the Rideau Park Personal Care Home Inc.
5. Land acquired for future development of a health care facility.
6. Furniture and equipment located in the Cadham Provincial Laboratory and in the provincial laboratory and x-ray diagnostic units throughout the Province.

7. Furniture and equipment located in the administration building.

8. A Cessna Citation SII aircraft which is a completely dedicated air ambulance.

The Commission is in the process of effecting the transfer of title to its administration building and land to Manitoba Properties Inc. The Commission retains its use of and control over these assets. During the fiscal period 1990/91, the Department of Government Services paid rent in the amount of $607,500 to Manitoba Properties Inc., for the land and administrative building utilized by the Commission. This expenditure is not reflected in the accounts of the Commission.

NOTE 2. FUNDS HELD IN TRUST RE DEBENTURE TRUST AGREEMENTS

At March 31, these funds were on deposit as follows:

	1991	1990
	(thousands of dollars)	
Bank	$ 23,117	$ 21,153
Government of the Province of Manitoba	3,238	3,322
	$ 26,355	$ 24,475

These funds relate to the debentures referred to in Note 3. The Commission receives these funds as grants from the Government of the Province of Manitoba and makes the required payments to trustees and the Government of the Province of Manitoba for debt servicing, including any required sinking fund payments.

NOTE 3. CAPITAL FINANCING

Hospitals and personal care homes have obtained financing for capital projects by issuing debentures, or arranging for mortgages or long-term bank loans. The Hospital Capital Financing Authority, which was established in 1972, approves the issue of all securities and assists in obtaining an orderly market for the sale of the securities to finance these capital expenditures. Although this indebtedness is not guaranteed by the Commission, funds required for the payment of principal and interest related to approved capital debt incurred for the construction and acquisition of capital assets for the provision of insured services are included in the Commission's expenditures. For the year ended March 31, 1991 the amount related to principal and interest payments included in the expenditures for hospital and personal care home services shown on Statement B was $93,316,000 ($84,072,000 for the year ended March 31, 1990).

As at March 31, 1991, the approved outstanding capital debt in Canadian dollars of hospitals and personal care homes was $487,303,000 ($462,548,000 as at March 31, 1990).

In addition to the approved outstanding capital debt, lines of credit up to $168,536,000 ($82,633,000 as at March 31, 1990) have been approved to finance capital projects in process. On completion of these projects, the borrowings will be converted to long-term debt.

NOTE 4. LEASE - AIRCRAFT

Effective November 1, 1985, the Commission entered into a lease purchase agreement for the acquisition of an aircraft for the air ambulance program. The interest rate for the lease was equal to the monthly bank prime rate. The actual lease payments for the period April 1, 1990 to November 1, 1990 amounted to $653,000.

Under the terms of the lease, the Commission exercised its option to purchase the aircraft on November 1, 1990 at a price of $1,217,000.

NOTE 5. OTHER HEALTH SERVICES

This group of expenditures consists of:

	1991	1990
	(thousands of dollars)	
Optometric	$ 6,436	$ 5,968
Chiropractic	8,980	8,863
Prosthetic and Orthotic	3,418	3,574
	$ 18,834	$ 18,405

NOTE 6. MANITOBA CHILDREN'S DENTAL PROGRAM

Effective April 1, 1985, the Commission assumed responsibility for processing and payment of claims under the Manitoba Children's Dental Program. The Department of Health is responsible for the establishment of policy for the administration of the program and for providing the Commission with funds for the payment of approved claims. For the year ended March 31, 1991, the Commission paid claims for approved services amounting to $1,479,000 ($1,537,000 for the year ended March 31, 1990). Of this amount, $1,047,000 ($1,177,000 for the year ended March 31, 1990), was recovered from the Department of Health during the year ended March 31, 1991. The balance of $432,000 is included in accounts receivable - Government of the Province of Manitoba as at March 31, 1991 ($360,000 as at March 31, 1990). These payments and recoveries have been excluded from the statement of revenue and expenditure.

The Commission's direct administrative costs for processing the payment of claims are not recovered from the Department. These costs amounted to approximately $161,000 for the year ended March 31, 1991 ($154,000 for the year ended March 31, 1990) and are included in the Commission's administrative expenses detailed in Schedule 1.

NOTE 7. HOSPITAL AND PERSONAL CARE HOME LIABILITIES

The liabilities of the Commission include $6,739,000, which covers the Commission's share of the estimated future benefit payments of the Manitoba Health Organization, Inc., Long Term Disability Insurance Plan.

This amount was established by the insurance company which holds the insurance contract for this fund and represents the estimated cost of future payments to participants who were disabled and receiving payments or had been approved for payments as at March 31, 1991.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba, and

To the Board of Trustees,
The Manitoba Home Care Employees' Benefits Trust Fund

We have audited the balance sheet of the Manitoba Home Care Employees' Benefits Trust Fund as at June 30, 1991 and statement of operations for the year then ended. These financial statements are the responsibility of the Trust Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
September 27, 1991

F. H. Jackson, CA
Provincial Auditor

Balance Sheet
as at June 30, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Cash	$ 129,344	$ 129,633
Accounts receivable - Government of the Province of Manitoba	242,327	216,653
Investments at cost	1,529,327	752,450
Accrued interest	45,220	25,393
	$ 1,946,218	$ 1,124,129
LIABILITIES		
Accounts payable	$ 8,774	$ 12,109
Unpaid benefit claims	120,306	78,158
	129,080	90,267
Reserve for future benefit claims	304,246	253,566
	433,326	343,833
Excess Contributions, Note 3:		
Balance, beginning of year	780,296	(15,503)
Excess of income over expenditures	732,596	795,799
Balance, end of year	1,512,892	780,296
	$ 1,946,218	$ 1,124,129

MANITOBA HOME CARE EMPLOYEES' BENEFITS TRUST FUND

Statement of Operations
for the year ended June 30, 1991
(with 1990 figures for comparison)

	1991	1990
Income:		
Contributions - Government of the Province of Manitoba	$ 1,192,038	$ 995,683
Interest	130,659	63,623
Total income	1,322,697	1,059,306
Expenditures:		
Benefit claims	450,188	139,913
Administration	74,326	70,473
Printing, stationery and postage	3,289	339
Professional fees	11,618	15,100
Total expenditures	539,421	225,825
Excess of income over expenditures before provision for future benefits	783,276	833,481
Provision for future cost of benefits earned	50,680	37,682
Excess of income over expenditures	$ 732,596	$ 795,799

MANITOBA HOME CARE EMPLOYEES' BENEFITS TRUST FUND

Notes to the Financial Statements
for the year ended June 30, 1991

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1. Nature of the Organization:

The Manitoba Home Care Employees' Benefits Trust Fund (Trust Fund) was established, effective July 1, 1988, in accordance with the provisions of a collective agreement, dated March 10, 1988, between the Province of Manitoba, represented by the Minister of Health, and the Manitoba Government Employees' Association. The Trust Fund is operated in accordance with the terms of a trust agreement between these two parties, dated December 22, 1988. The Governing Board of Trustees responsible for the administration of the Trust Fund is comprised of two representatives from each of the Province of Manitoba and the Manitoba Government Employees' Association and a Chairman. The Trust Fund is the vehicle for administering the disability and dental benefits provided under the Manitoba Home Care Employees' Benefits Program.

2. Significant Accounting Policies:

i) Unpaid benefit claims:

These claims, based on an actuarial calculation, represent the estimate of the amount required to meet the future costs of claims incurred prior to June 30, 1991.

ii) Reserve for future benefit claims:

This reserve, based on an actuarial calculation, represents entitlements earned to June 30, 1991 which may require disbursements by the Trust Fund in the future.

iii) Administrative services:

The Department of Health provides certain administrative services which are billed to the Trust Fund. Billings for these administrative services commenced December, 1990, retroactive to June 1, 1990. These administrative services are reflected in the financial statements for the year ended June 30, 1991.

3. Termination:

If this Trust Fund is terminated the Trustees of the Trust Fund are responsible to wind-up and terminate the Fund in accordance with the terms of the Trust Fund Agreement. Any funds remaining in the Trust Fund after the satisfaction of all expenses, claims and obligations arising under the terms of the Trust Agreement shall be transferred to the Province of Manitoba by the Trustees.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Hospital Capital Financing Authority as at March 31, 1991 and the statement of income and expenditure for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies described in note 2 to the financial statements.

Fred H Jack

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
May 7, 1991

EXHIBIT A

THE MANITOBA HOSPITAL CAPITAL FINANCING AUTHORITY

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Current assets		
Accrued interest	$ 117,057	$ 132,760
Investments, at cost, Schedule 1	2,665,500	3,061,500
	$ 2,782,557	$ 3,194,260
LIABILITIES		
Current liabilities		
Accrued debenture interest	$ 117,057	$ 132,760
Current portion of debentures payable, (Note 3)	396,000	396,000
	513,057	528,760
Debentures payable, Schedule 2	2,269,500	2,665,500
	$ 2,782,557	$ 3,194,260

EXHIBIT B

THE MANITOBA HOSPITAL CAPITAL FINANCING AUTHORITY

Statement of Income and Expenditure
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Income:		
Interest earned on investments	$ 335,137	$ 382,703
Expenditure:		
Debenture interest	335,137	382,703
Excess of income over expenditure	$ -	$ -

SCHEDULE 1

THE MANITOBA HOSPITAL CAPITAL FINANCING AUTHORITY

Schedule of Investments
as at March 31, 1991
(with 1990 figures for comparison)

	Interest Rate (%)	1991	1990
Serial debentures issued by:			
Personal Care Homes	10.00	$ 592,000	$ 666,500
Selkirk Linen Services Inc.	11.125	512,500	615,000
	13.625	559,000	601,000
	15.75	182,000	244,000
West - Manitoba Regional Laboratory Services Inc.	10.00	680,000	765,000
Parkland Regional Hospital Laundry Ltd.	15.75	140,000	170,000
Investments, Exhibit A		$ 2,665,500	$ 3,061,500

SCHEDULE 2

THE MANITOBA HOSPITAL CAPITAL FINANCING AUTHORITY

Schedule of Debentures Payable
as at March 31, 1991
(with 1990 figures for comparison)

Series Number	Interest Rate (%)	Year of Maturity	1991	1990
1A	11.125	1991-1995	$ 512,500	$ 615,000
2A	10.00	1991-1998	92,000	103,500
3B	10.00	1991-1998	180,000	202,500
3E	10.00	1991-1998	1,000,000	1,125,500
4A	15.75	1991-1993	182,000	244,000
4B	15.75	1991-1995	140,000	170,000
5A	13.625	1991-2004	559,000	601,000
Total debentures payable			$ 2,665,500	$ 3,061,500
Less: Current portion (Note 3)			396,000	396,000
Debentures payable, Exhibit A			$ 2,269,500	$ 2,665,500

THE MANITOBA HOSPITAL CAPITAL FINANCING AUTHORITY

Notes to Financial Statements
March 31, 1991

1. Nature of the Authority

The Manitoba Hospital Capital Financing Authority was established by The Hospital Capital Financing Authority Act in June 1972. The objectives of the Authority are:

i) to approve the issuance of securities for capital expenditure by operators of health care facilities,

ii) to assist such operators by ensuring an orderly market for the sale of securities issued by health care facilities, and

iii) to purchase securities issued by health care facilities with money borrowed by the Authority.

Health care facilities include hospitals, non-profit personal care homes and other designated related service institutions.

2. Accounting Policy

The Authority uses the accrual basis of accounting.

3. Investments and Debentures Payable

The Authority's investments in various health facility debentures are entirely offset by debentures issued by the Authority to Government Agencies who do not qualify to purchase the health facility debentures directly.

Principle payments on debentures payable for the next five years are as follows:

1992	$396,000
1993	$396,000
1994	$392,000
1995	$334,000
1996	$324,000

4. Financing Approvals

The Authority approved the issuance of $13,200,000 of securities by health care facilities during 1990-91 ($7,300,000 in 1989-90).

There have been no securities issued by the Authority since November 15, 1984.

5. Services Provided by the Province

The Province of Manitoba provides administrative services at no charge to the Authority.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Housing and Renewal Corporation as at March 31, 1991 and the statements of operations, The Manitoba Housing and Renewal Fund, changes in financial position and schedule of housing program subsidies for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
October 31, 1991

F. H. Jackson, CA
Provincial Auditor

THE MANITOBA HOUSING AND RENEWAL CORPORATION
BALANCE SHEET
MARCH 31, 1991
(with comparative figures for 1990)

ASSETS

	1991	1990
Cash on deposit with the Minister of Finance and in bank	$ 1,772,201	$ 5,578,796
Accounts receivable and accruals (notes 3 and 17)	28,136,975	20,296,231
Loans and mortgages receivable (note 4)	213,750,040	194,786,030
Investment in land and housing:		
Housing projects (note 5)	397,671,055	382,766,480
Housing and land investment (note 6)	21,287,066	20,171,133
Land inventory (notes 7 and 17)	15,986,166	12,414,539
	434,944,287	415,352,152
Corporate fixed assets (note 8)	375,601	371,025
	$678,979,104	$636,384,234

LIABILITIES AND FUND BALANCE

	1991	1990
Accounts payable, holdbacks and accruals	$ 25,217,751	$ 19,187,784
Long-term land lease and rental subsidies received in advance (note 9)	199,908	204,568
Long-term debt (note 10)	661,226,707	627,022,599
The Manitoba Housing and Renewal Fund (Deficit)(note 11)	(7,665,262)	(10,030,717)
Commitments (note 14)		
Contingencies (note 15)		
	$678,979,104	$636,384,234

(see accompanying notes)

THE MANITOBA HOUSING AND RENEWAL CORPORATION
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 1991
(with comparative figures for 1990)

	1991	1990
Revenue:		
Grants from the Government of the Province of Manitoba (note 13)	$31,878,500	$35,237,716
Interest from sinking fund (note 12)	1,679,436	1,629,457
Churchill Propane Distribution System, net proceeds	219,248	328,192
Other	87,559	
	33,864,743	37,195,365
Expenditure: (note 1)		
Interest expense	24,732,118	26,343,529
Less -Interest applied to construction of housing projects, land inventory and housing program subsidies	5,516,726	5,634,098
-Interest earned on loans and mortgages	19,397,442	17,126,844
-Interest earned on funds with the Minister of Finance and in bank	549 977	665,960
Interest not applied or recovered	(732,027)	2,916,627
Rent Supplement Program:		
Rent supplement and administration expenditures	5,195,247	4,058,659
Less - recovery from CMHC	3,105,764	2,176,255
Net program subsidies	2,089,483	1,882,404
Residential Rehabilitation Assistance Program:		
Loan forgiveness (note 2b)	2,042,967	2,712,232
Other operating costs	532,777	283,994
Less - recovery from CMHC	1,860,084	2,316,522
Net program subsidies	715,660	679,704
Co-op HomeStart Program Assistance	725,977	702,081
Critical Home Repair Program Loan forgiveness (note 2b)	68,546	348,393
Depreciation of corporate fixed assets (note 8)	16,718	19,439
Manitoba Seniors RentalStart Program Loan forgiveness (note 2b)		1,127,317
Mortgage subsidies	37,495	100,787
Net housing program subsidies per schedule	25,491,158	24,610,844
Net loss on housing projects and land sales	688,975	615,691
Provision for loss on land and land investment (notes 6 and 7)	2,049,815	5,333,959
Provision for loss on loans and mortgages	347,488	(3,049,000)
	31,499,288	35,288,246
Revenue over expenditure transferred to The Manitoba Housing and Renewal Fund	$ 2,365,455	$ 1,907,119

(see accompanying notes)

THE MANITOBA HOUSING AND RENEWAL CORPORATION
STATEMENT OF THE MANITOBA HOUSING AND RENEWAL FUND
YEAR ENDED MARCH 31, 1991
(with comparative figures for 1990)

	1991	1990
Balance at beginning of year	$(10,030,717)	$(11,937,836)
Add - revenue over expenditure	2,365,455	1,907,119
Balance at end of year	$(7,665,262)	$(10,030,717)

(see accompanying notes)

THE MANITOBA HOUSING AND RENEWAL CORPORATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED MARCH 31, 1991
(with comparative figures for 1990)

	1991	1990
Cash provided by (used for):		
Operating activities:		
Revenue over expenditure	$2,365,455	$ 1,907,119
Items not involving cash:		
Depreciation and amortization	3,999,854	2,871,946
Provision for loss on land and land investment	2,049,815	5,333,959
Provision for loss on loans and mortgages	347,488	(3,049,000)
Long-term debt forgiven by the Minister of Finance	———	(3,561,716)
	8,762,612	3,502,308
Net change in non-cash balances related to operations:		
Accounts receivable and accruals	(7,840,744)	1,847,320
Accounts payable, holdbacks and accruals	6,029,967	(834,589)
	6,951,835	4,515,039
Financing activities:		
Increase in long-term debt	49,223,527	65,798,611
Repayment of long-term debt	(15,019,417)	(44,202,754)
	34,204,110	21,595,857
Investing activities:		
Additions to land and housing	(31,608,848)	(17,654,464)
Less - recovery of CMHC and City of Winnipeg shares	4,731,877	7,159,997
	(26,876,971)	(10,494,467)
Additions to loans and mortgages	(34,489,103)	(51,703,902)
Net proceeds from disposal of land and housing	1,283,972	3,264,526
Net proceeds from repayment of loans and mortgages	15,119,562	24,344,552
	(44,962,540)	(34,589,291)
Decrease in cash	(3,806,595)	(8,478,395)
Cash at beginning of year	5,578,796	14,057,191
Cash at end of year	$ 1,772,201	$ 5,578,796

THE MANITOBA HOUSING AND RENEWAL CORPORATION
SCHEDULE OF HOUSING PROGRAM SUBSIDIES
YEAR ENDED MARCH 31, 1991
(with comparative total figures for 1990)

	Rural and Northern Housing	Urban and Rural Housing		Urban Native Non-Profit Housing	Non-Profit Housing		1991 Total	1990 Total
		Section 43	Other		Pre 1986	Post 1985		
Revenue								
Rental Revenue	$3,118,345	$39,453,473	$2,745,033	$1,891,309	$3,925,838	$4,539,857	$55,673,855	$ 51,252,450
Expenditure								
Property Operating Expense	2,384,390	25,653,508	1,421,140	1,624,819	2,239,976	3,053,201	36,377,034	31,889,103
Grants in Lieu of Taxes	589,665	11,963,256	516,940	275,160	1,223,245	1,704,142	16,272,408	17,888,403
Administration	287,442	4,278,214	320,813	233,217	344,355	229,243	5,693,284	5,470,166
Depreciation and Interest	6,198,237	25,958,583	1,818,994	3,996,633	6,579,594	10,667,875	55,219,916	51,441,593
	9,459,734	67,853,561	4,077,887	6,129,829	10,387,170	15,654,461	113,562,642	106,689,265
Operating Loss	6,341,389	28,400,088	1,332,854	4,238,520	6,461,332	11,114,604	57,888,787	55,436,815
Less - CMHC Share of Operating Loss	5,223,301	13,901,462	—	3,270,474	4,897,417	8,195,132	35,487,786	33,251,294
	1,118,088	14,498,626	1,332,854	968,046	1,563,915	2,919,472	22,401,001	22,185,521
CMHC Administered Units								
MHRC Share of Operating Loss	3,090,157	—	—	—	—	—	3,090,157	2,425,323
Net Housing Program Subsidies	$ 4,208,245	$14,498,626	$1,332,854	$ 968,046	$ 1,563,915	$ 2,919,472	$25,491,158	$ 24,610,844

THE MANITOBA HOUSING AND RENEWAL CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1991

1. Nature of the Corporation

The Manitoba Housing and Renewal Corporation (MHRC) was established as a Crown Corporation by The Housing and Renewal Corporation Act on June 21, 1967. The objective of the Corporation is to improve standards of living accommodation in the Province of Manitoba and to assist residents to obtain living accommodation of reasonable standards.

Administrative services are provided by the Department of Housing, Province of Manitoba. Costs of these administrative services are $5,158,400 (1990 - $5,235,300) and are not reflected in these financial statements except for administrative charges amounting to $1,415,650 (1990 - $1,679,970) which are cost shared with the Canada Mortgage and Housing Corporation (CMHC).

The Corporation is economically dependent on the Government of the Province of Manitoba.

2. Significant accounting policies

a) The Corporation's financial statements are prepared using the accrual basis of accounting except for the discounts on sinking fund investments. Discounts obtained at the time of acquisition are taken into income on maturity of the related investments which are recorded at cost.

2. Significant accounting policies (continued)

b) Loan forgiveness under the Critical Home Repair Program, the Manitoba Seniors RentalStart Program and the Residential Rehabilitation Assistance Program is approved in accordance with the terms of the loan agreement and charged to operations, net of a recovery from CMHC for the Residential Rehabilitation Assistance Program, in the year that the loan is granted. Loan forgiveness under the Core Area Home Repair Program is also approved in accordance with the terms of the loan agreement and fully recovered from the Department of Urban Affairs, Province of Manitoba, in the year that the loan is granted.

c) Valuation, depreciation and amortization are described in subsequent notes as follows:

Housing projects	- note 5
Housing and land investment	- note 6
Land inventory	- note 7
Corporate fixed assets	- note 8

3. Accounts receivable and accruals

	1991	1990
Canada Mortgage and Housing Corporation	$11,598,105	$13,599,860
Government of the Province of Manitoba and its agencies	4,705,410	881,475
Other - net of allowance (1991 - $584,749, 1990 - $470,562)	11,833,460	5,814,896
Accounts receivable and accruals	$28,136,975	$20,296,231

4. Loans and mortgages receivable

	1991	1990
Homes in Manitoba Programs:		
Affordable New Homes Program	$ 820,788	$ 3,979,680
Core Area Infill Housing Program	3,738,974	4,105,435
Buy and Renovate Housing Program	1,074,668	1,578,945
Builder Developer Housing Program	45,606	154,955
	5,680,036	9,819,015
Manitoba RentalStart Programs:		
Manitoba Urban RentalStart Program	28,337,684	37,568,019
Manitoba Rural RentalStart Program	4,716,572	4,297,204
Manitoba Seniors RentalStart Program	32,489,273	30,655,850
	65,543,529	72,521,073
Residential Rehabilitation Assistance Program	1,698,594	1,244,213
Less - financing provided by CMHC	1,128,649	932,965
	569,945	311,248
Rural and Northern Housing Program	3,880,011	4,411,258
Less - financing provided by CMHC	2,909,008	3,257,226
	971,003	1,154,032
Aspen Park Condominiums	1,696,494	1,568,632
Core Area Home Renovation Program	207,106	84,592
Community Residences Program	12,374,407	12,619,720
Cooperative HomeStart Program	21,717,158	21,505,402
Cooperative Share Equity Loan Program	77,874	40,263
Carried Forward	$108,837,552	$119,623,977

4. Loans and mortgages receivable (continued)

	1991	1990
Brought Forward	$108,837,552	$119,623,977
Critical Home Repair Program	440,256	617,758
Lease/purchase land agreements	1,073,950	1,285,539
North Logan Redevelopment	199,641	411,670
Private Non-Profit Housing Program	63,784,802	40,496,746
The Pas Mobile Home Subdivision	46,246	73,398
Urban Native Non-Profit Housing Program	39,652,360	33,024,982
Other	186,233	1,960
	214,221,040	195,536,030
Less - allowance for doubtful accounts	471,000	750,000
	213,750,040	194,786,030
Forgivable loans:		
Residential Rehabilitation Assistance Program	6,145,303	5,224,047
Less - recovery from CMHC	4,609,030	3,918,035
	1,536,273	1,306,012
Critical Home Repair Program	560,675	1,178,264
Manitoba Seniors RentalStart Program	4,976,877	5,047,116
Non-Profit Housing Corporations	1,978,100	2,045,464
Core Area Home Repair Program	1,149,468	718,483
	10,201,393	10,295,339
Less - valuation allowance	10,201,393	10,295,339
Loans and mortgages receivable	$213,750,040	$194,786,030

4. Loans and mortgages receivable (continued)

The Corporation has established an asset valuation allowance equal to the unearned portion of forgivable loans which effectively reduces the value of these loans to nil. As forgiveness conditions are met by the individual clients and non-profit corporations the Corporation records the annual forgiveness earned in accordance with the terms of the loan agreement thereby reducing the forgivable loan and the concomitant valuation allowance.

Mortgages under the Homes in Manitoba Programs are administered by both outside lending institutions and by MHRC. Those administered by outside lending institutions, amounting to $767,889 (1990 - $3,979,680), are insured by CMHC or the Mortgage Insurance Company of Canada. Those administered by MHRC, amounting to $4,912,147 (1990 - $5,839,335), and Aspen Park Condominiums are assessed a fee which is set aside in a fund to provide for any related expenses in the event of default by a mortgagor. This fund is included with accounts payable and is summarized as follows:

	1991	1990
Balance at beginning of year	$208,516	$233,316
Less - Refunds	19,156	57,437
Add - Insurance fees assessed and interest	26,894	32,637
Balance at end of year	$216,254	$208,516

5. Housing projects

	1991	1990
Rural and Northern Housing Program:		
Completed	$ 40,014,421	$ 39,757,270
Under construction	1,042,183	610,943
Upgrading programs - deferred capital costs	1,418,734	759,007
	42,475,338	41,127,220
Less - financing provided by CMHC	31,733,044	30,718,355
	10,742,294	10,408,865
Other Urban and Rural Housing Programs:		
Completed	374,215,482	364,066,176
Under construction	1,881,717	1,514,651
Upgrading programs - deferred capital costs	19,810,689	12,048,839
	395,907,888	377,629,666
Less - financing provided for upgrading programs by CMHC	8,979,127	5,272,051
	386,928,761	372,357,615
Housing projects	$397,671,055	$382,766,480

Completed housing projects are valued at capitalized cost less depreciation.

Projects under construction are valued at capitalized cost which includes direct construction costs, land acquisition, interest, grants in lieu of taxes and an administrative fee charged by the Department of Housing, Province of Manitoba.

5. Housing projects (continued)

The upgrading programs relate to rehabilitation and improvement costs incurred on rental units for the Urban and Rural Housing Programs and the Rural and Northern Housing Program. The rehabilitation costs are depreciated over the remaining term of the original mortgage for the Rural and Northern Housing Program and the improvement costs on a straight-line basis over ten years for the Urban and Rural Housing Programs and the Rural and Northern Program.

Under the Rural and Northern Housing Program, depreciation is based on the imputed principal repayment equivalent to that of 100% debt financing with CMHC rates. Depreciation under other urban and rural housing programs is based on the actual principal repayment of the related debt.

Depreciation on housing projects is included as an expenditure in housing program subsidies.

6. Housing and land investment

	1991	1990
Housing investment	$18,047,066	$15,901,890
Land investment	4,715,632	4,269,243
	22,762,698	20,171,133
Accumulated loss provision on land investment	1,475,632	—
Housing and land investment	$21,287,066	$20,171,133

Housing investment represents joint venture projects under the Rural and Northern Housing Program which are being administered by CMHC. The investment balance represents MHRC's share and is valued at capitalized cost less depreciation which is equal to the annual principal repayment of the related debt as determined by CMHC. Depreciation is included as an expenditure in the Rural and Northern Housing Program.

6. Housing and land investment (continued)

Land investment represents a joint land venture whereby the Corporation entered into a Joint Venture Agreement with Ladco Company Ltd. on May 11, 1989. The agreement relates to the servicing, development and sale of approximately 476 acres of land in St. Boniface in the City of Winnipeg, of which 179 acres of land are owned by the Corporation and 297 acres by the Ladco Company Ltd. In accordance with the terms of the agreement, the Corporation has further agreed to provide loan guarantees for purposes of the joint venture development with Ladco Company Ltd. in an amount not to exceed $2,000,000 (note 16).

Land investment is valued at the lower of capitalized cost or appraised value adjusted for estimated disposition costs and contingencies. Capitalized cost includes acquisition cost, interest, planning and development costs.

7. Land Inventory

	1991	1990
Under development	$ 2,126,725	$ 1,911,651
Future development or sale	49,754,135	45,907,240
Leased land	1,734,388	1,734,390
	53,615,248	49,553,281
Accumulated loss provision	37,629,082	37,138,742
Land inventory	$15,986,166	$12,414,539

The change to the accumulated loss provision account is as follows:

	1991	1990
Balance at beginning of year	$37,138,742	$34,438,892
Add - provision for loss on land	574,183	5,333,959
Less - losses realized	83,843	2,634,109
Balance at end of year	$37,629,082	$37,138,742

7. Land Inventory (continued)

Land inventory is valued at the lower of capitalized cost or appraised value adjusted for estimated disposition costs and contingencies. Capitalized cost includes acquisition costs, interest, planning and development costs, grants in lieu of taxes where applicable, less revenue derived from use of undeveloped land.

8. Corporate fixed assets

	1991			1990
	COST	ACCUMULATED DEPRECIATION	NET	NET
Land	$ 71,900	$	$ 71,900	$ 71,900
Buildings	376,869	116,705	260,164	244,704
Office furnishings	500,251	456,714	43,537	54,421
Corporate fixed assets	$949,020	$573,419	$375,601	$371,025

Corporate fixed assets are valued at cost less depreciation provided on the following bases:

Buildings - straight-line, based on a 10 and 50 year useful life or if funded by specific long-term debt based on the annual principal repayment of the related debt, amortized over 50 years.

Office furnishings - 20% of the undepreciated balance.

Depreciation in the amount of $16,718 (1990 - $19,439) is reflected as a separate corporate expenditure and depreciation in the amount of $2,669 (1990 - $2,382) is included as an expenditure in the urban and rural housing programs.

9. Long-term land lease and rental subsidies received in advance

	1991	1990
Long-term land lease prepaid, expiring in 2039	$ 74,744	$ 76,282
Long-term rental subsidies received in advance from sponsors	125,164	128,286
Long-term land lease and rental subsidies	$199,908	$204,568

10. Long-term debt

	1991	1990
Government of the Province of Manitoba:		
Demand notes payable (convertible to long-term advances), at prime interest rates or fixed rates from 8 7/8% to 12 3/4%	$ 95,549,633	$ 97,011,099
Long-term advances, at rates from 8.28% to 14.50% maturing at various dates to 2029 and requiring annual payments of $38,394,458 (1990 - $29,199,383) toward principal and interest	356,533,296	316,002,712
Canada Mortgage and Housing Corporation:		
Long-term advances , at rates from 6 7/8% to 11% maturing at various dates to 2030 and requiring annual payments of $22,367,913 (1990 - $23,674,628) towards principal and interest	224,075,371	225,275,879
	676,158,300	638,289,690
Less: Sinking fund on deposit with the Government of the Province of Manitoba (note 12)	18,387,834	14,768,035
	657,770,466	623,521,655
Mortgages payable (assumed on property acquisitions), at rates from 5 1/8% to 12 1/2% maturing at various dates to 2028 and requiring annual payments of $334,156 (1990 -$367,240) towards principal and interest	3,456,241	3,500,944
Long-term debt	$661,226,707	$627,022,599

11. The Manitoba Housing and Renewal Fund

The operating deficit primarily arises because the Province of Manitoba only partially funds the provisions for losses on land, land investment, loans, mortgages and other receivables.

12. Sinking fund

	1991		1990	
	PAR VALUE	COST	PAR VALUE	COST
Bonds: (note 2a)				
Manitoba Hydro - Electric Board	$ 7,035,000	$ 5,789,066	$ 6,925,000	$ 5,682,353
Manitoba Telephone System	1,538,000	1,109,900	1,538,000	1,109,900
Government of the Province of Manitoba	3,754,000	3,701,690	3,627,000	3,581,406
Alberta Government Telephones Commission	2,000,000	1,785,000	2,000,000	1,785,000
	$14,327,000	12,385,656	$14,090,000	12,158,659
Cash, interest bearing		6,002,178		2,609,376
Sinking fund		$18,387,834		$14,768,035

MHRC is required to maintain a sinking fund on deposit with the Minister of Finance for the purpose of retiring at maturity, long-term debt which does not require annual principal repayments. The required minimum annual payment to the sinking fund must equal 4% of the sinking fund balance as at the end of the preceding fiscal year plus 1% of the advances and borrowings of MHRC other than those secured by a first mortgage on land or by an agreement or debenture that provides for the retirement of the debt by annual repayments of principal and interest. Income earned on sinking fund investments of $1,679,436 (1990 - $1,629,457) is paid to MHRC and all or a portion of the income earned is set aside in the sinking fund in addition to the minimum statutory requirement.

13. Grants from the Government of the Province of Manitoba

	1991	1990
Department of Housing:		
- MHRC operating programs	$29,960,355	$29,197,176
- Long-term debt forgiven by the Minister of Finance		3,561,716
- Sinking fund	1,918,145	2,478,824
Grant Revenue	$31,878,500	$35,237,716

14. Commitments

The Corporation is committed to expend $37,488,934 (1990 - $33,227,680) for completion of housing under construction and for approved mortgage applications.

15. Contingencies

The Corporation is a party to certain litigation arising in the normal course of business, the aggregate effect of which, in the opinion of management, would not have a material effect on the Corporation's financial statements.

16. Guarantees

The Corporation has guaranteed the repayment of mortgages and has issued Letters of Credit guaranteeing the terms and conditions of land development agreements and construction contracts. The outstanding guarantees are as follows:

	1991	1990
Joint Venture Investment Guarantee (note 6)	$ 2,000,000	$ 2,000,000
Mobile Home Loan Guarantee Program	14,169,913	13,814,955
Rural Mortgage Lending Program	119,389	128,357
Other mortgage guarantees	721,269	1,177,114
Total Guarantees	$17,010,571	$17,120,426

A guarantee fee of 2% - 2 1/2% charged for each mortgage is paid into the Mortgage Insurance Fund. The balance of the fund as at March 31, 1991 is $902,812 (1990 - $737,856) and is included with accounts payable.

17. Restatement of accounts

Previously the City of Winnipeg's share of interest costs incurred with respect to the financing provided for lands held under the Fort Garry, St. Vital, Springfield Land Bank Tripartite Agreement were capitalized in land inventory. In 1991 the City of Winnipeg's share of interest costs are shown as accounts receivable. The accounts receivable and land inventory accounts for the year ended March 31, 1990 have been restated in the amount of $2,941,915.

18. Comparative figures

Certain comparative figures on the financial statements have been restated to conform with the presentation of the current year.

AUDITORS' REPORT

To The Manitoba Hydro-Electric Board

We have audited the balance sheet of The Manitoba Hydro-Electric Board as at March 31, 1991 and the statements of operations, reserves and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peat Marwick Thorne

Chartered Accountants
Winnipeg, Canada
June 3, 1991

BALANCE SHEET

AS AT MARCH 31, 1991 (with 1990 figures for comparison)

ASSETS	1991	1990
	(thousands of dollars)	
FIXED ASSETS (Note 4)		
In service	$ 4 521 947	$ 3 748 338
Less: Accumulated depreciation	1 152 873	1 071 602
	3 369 074	2 676 736
Construction in progress	897 865	1 206 202
	4 266 939	3 882 938
CURRENT ASSETS		
Temporary investments	362 500	204 000
Accounts receivable	102 813	77 979
Accrued revenue and interest receivable	36 341	33 197
Materials and supplies, at average cost	41 461	39 418
	543 115	354 594
OTHER ASSETS		
Deferred pension expense	146 264	170 416
Deferred expenses and advances (Note 5)	249 753	286 591
	396 017	457 007
	$ 5 206 071	$ 4 694 539

Approved on behalf of the Board:

John S. McCallum

Chairman

D.R. Hildebrand

Vice-Chair

LIABILITIES AND RESERVES	1991	1990
	(thousands of dollars)	
LONG-TERM DEBT (Note 6)	**$ 3 884 719**	$ 3 556 626
CURRENT LIABILITIES		
Bank balances	**141 080**	130 177
Accounts payable and accrued liabilities	**101 704**	103 883
Notes payable, due within one year	**119 492**	–
Accrued interest	**116 433**	100 070
Current portion of long-term debt (Note 6)	**314 601**	331 811
	793 310	665 941
DEFERRED LIABILITIES (Note 7)	**30 337**	26 543
PENSION OBLIGATIONS (Note 8)	**219 518**	218 706
DEFERRED CREDITS (Note 9)	**113 052**	110 148
RESERVES (Note 11)	**165 135**	116 575
	$ 5 206 071	$ 4 694 539

The accompanying notes are an integral part of the financial statements.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 1991 (with 1990 figures for comparison)

	1991	1990
	(thousands of dollars)	
REVENUES		
Sale of power		
Manitoba	$ 628 090	$ 596 915
Extraprovincial	66 551	60 089
Other revenue	7 858	7 084
	702 499	664 088
EXPENSES		
Operating and administrative	253 935	248 312
Depreciation-plant	92 997	87 572
Water rentals (Note 2)	32 587	28 855
Fuel and power purchased	17 843	33 209
	397 362	397 948
Net income before finance expense	305 137	266 140
FINANCE EXPENSE (Note 3)	256 577	241 943
NET INCOME	$ 48 560	$ 24 197

The accompanying notes are an integral part of the financial statements.

STATEMENT OF RESERVES
FOR THE YEAR ENDED MARCH 31, 1991 (with 1990 figures for comparison)

			1991	1990
			(thousands of dollars)	
	Contingency and General	Rate Stabilization	Total	Total
BALANCE-BEGINNING OF YEAR	$ 137 277	$ (20 702)	$ 116 575	$ 92 378
Net income transferred from operations	-	48 560	48 560	24 197
BALANCE-END OF YEAR................	$ 137 277	$ 27 858	$ 165 135	$ 116 575

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 1991 (with 1990 figures for comparison)

	1991	1990
	(thousands of dollars)	
OPERATING ACTIVITIES		
Cash from operations		
Net income	$ 48 560	$ 24 197
Depreciation-plant	92 997	87 572
Amortization of debt discount and expense	8 803	8 771
Amortization of foreign exchange	(181)	516
Realized foreign exchange gain	-	(643)
Pension expense	24 964	24 928
Other	(1 334)	(3 474)
Non-cash working capital change	(15 620)	10 298
Cash provided by operating activities	158 189	152 165
FINANCING ACTIVITIES		
Proceeds from long-term debt	760 520	486 529
Retirement of long-term debt	(396 887)	(282 419)
Contributions and advances in aid of construction	9 260	17 284
Increase (decrease) in notes payable	119 492	(109 287)
Sinking fund payment	(57 140)	(54 313)
Other	(372)	3 217
Cash provided by financing activities	434 873	61 011
INVESTING ACTIVITIES		
Additions to fixed assets	(440 173)	(426 922)
Other assets	(5 292)	(15 347)
Cash used in investing activities	(445 465)	(442 269)
INCREASE (DECREASE) IN CASH	147 597	(229 093)
CASH AT BEGINNING OF YEAR	73 823	302 916
CASH AT END OF YEAR	$ 221 420	$ 73 823

The components of cash are bank balances and temporary investments.

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1991

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles as established in Canada.

a) Fixed Assets

Fixed assets are stated at cost which consists of contracted services, direct labor, material and expense, a proportionate share of overhead costs and interest applied at the effective rates incurred in financing construction. Finance expense is allocated to construction until a facility becomes operational or a decision is made to abandon, cancel or indefinitely defer construction. The cost of plant removed plus removal costs less salvage value is charged to accumulated depreciation.

Main facilities of major projects under construction become operational on a progressive basis. As such facilities become operational, related construction costs and a pro rata share of related common properties are transferred to plant in service. Once the transfer to plant in service is made, finance expense allocated to construction ceases and depreciation and finance expense charged to operations commences.

Depreciation is provided on a straight-line remaining life basis. The major components of generating stations are depreciated over the lesser of the remaining life of the major component or the remaining life of the associated generating station.

The range of the estimated service lives of components within each major asset category is as follows:

Hydroelectric generation	40 - 100 years
Thermal-electric generation	35 - 45 years
Transmission lines and stations	20 - 80 years
Distribution lines	10 - 60 years

b) Foreign Exchange:
Long-Term Debt

The translation of foreign long-term debt and the extent to which Manitoba Hydro is responsible for the resulting translation gains or losses has been established by The Energy Rate Stabilization Act. The Act, including the amendments of April 1, 1987 and April 1, 1989, set out the Corporation's obligations on foreign long-term debt as follows:

i) United States Debt

The impact of foreign exchange fluctuations associated with United States debt has been essentially eliminated through the Corporation's exposure management program which became effective April 1, 1989. Under this program, United States denominated debt is offset against contracted future United States revenue. Accordingly, United States debt transacted prior to April 1, 1989 is translated at the book value in effect at April 1, 1989 after taking into account, where applicable, the Province of Manitoba's obligation under The Energy Rate Stabilization Act for foreign exchange gains or losses and the amortization of unrealized foreign exchange gains or losses recorded by the Corporation to March 31, 1989. The Province of Manitoba's obligation, which is recorded as a deferred expense, amounts to $182.8 million (1990 - $183.3 million). United States debt transacted after April 1, 1989 is translated at the rate of exchange in effect at the date of issue. United States debt fixed by foreign exchange contract is recorded at the contracted rate.

ii) Foreign Debt Other Than United States Debt

Foreign long-term debt other than United States debt is translated into Canadian currency at rates of exchange prevailing at the date of the balance sheet, or in the case of debt fixed by foreign exchange contracts, at the contracted rate. Unrealized foreign exchange gains or losses net of the Province's obligation under The Energy Rate Stabilization Act as at March 31, 1991 are amortized on a straight-line basis over the remaining life of the related debt and together with realized exchange gains or losses are credited or charged to operations.

Current Assets and Current Liabilities
Current monetary assets and liabilities denominated in foreign currencies, with the exception of the current portion of long-term debt, are translated into Canadian currency at rates of exchange prevailing at the date of the balance sheet. The unrealized exchange gains or losses together with realized exchange gains or losses are credited or charged to operations. The current portion of long-term debt is translated in the same manner as long-term debt.

Sinking Fund Investments
Sinking fund investments denominated in foreign currencies are translated into Canadian currency at the rates of exchange prevailing at the date of the balance sheet, except where the investments have been fixed through monetary contracts by the Minister of Finance of the Province of Manitoba, in which case the contracted rate confirmed by the Province is used in the translation. The unrealized exchange gains or losses are amortized on a straight-line basis over the remaining life of the investment and together with realized exchange gains or losses are credited or charged to operations.

United States Contracted Revenue
Under the exposure management program, future contracted United States revenues have been designated as an offset against United States debt. These revenues will be translated at the book value of the associated United States debt.

Other Transactions
Expense and revenue transactions made in foreign currencies are translated into Canadian currency at the rates of exchange prevailing at the date of the transaction, except transactions covered by monetary contracts which are translated into Canadian dollars at the rates of exchange established by the contracts.

c) **Pension Plans**
The costs of pension benefits are determined periodically by independent actuaries using the accrued benefit method and management's best estimate assumptions. Pension expense is charged to operations and is comprised of the cost of pension benefits provided in exchange for employees' services rendered during the year, amortization of the cost of past service benefits, interest equivalent on the unfunded pension liability as at the beginning of the year and amortization of experience gains and losses resulting from actuarial revaluations.

The present value of past service benefits and actuarially determined experience gains or losses, to the extent not previously charged to operations, is recognized in the financial statements as a deferred pension expense and is amortized on a sinking fund basis over the expected average service lives of the employees covered by the plans.

d) **Debt Discount and Expense**
These costs are amortized to finance expense on a straight-line basis over the life of the respective issue.

e) **Discount on Sinking Fund Investments**
The Corporation records sinking fund investments at par value. The difference between the cost and the par value of the investments is recorded as a premium or discount and is amortized on a straight-line basis over the remaining life of the investment. Any gain or loss on early disposal is credited or charged to operations.

f) **Planning Studies Costs**
These costs are recorded as a deferred expense and are amortized to depreciation expense on a straight-line basis over a 15 year period. The balance of the unamortized costs of a project which proceeds during the 15 year period are transferred to the capital cost of the project.

g) **Unbilled Revenue**
Revenues are accrued in respect of electricity delivered for those cycles not yet billed.

NOTE 2 - WATER RENTALS

Rentals in the amount of $32 587 thousand (1990 - $28 855 thousand) were paid to the Province of Manitoba for the use of water and land for purposes of hydraulic generation.

NOTE 3 - FINANCE EXPENSE

	1991	1990
	(thousands of dollars)	
Interest on debt	$ 428 328	$ 404 212
Amortization of debt discount and expense	8 803	8 771
Amortization of foreign exchange gains or losses	(181)	516
Finance expense allocated to construction	(109 834)	(97 465)
Investment income	(70 539)	(74 091)
	$ 256 577	$ 241 943

Included in interest on debt is $10 010 thousand (1990 - $4 940 thousand) in respect of the Provincial Guarantee Fee. This fee is calculated at 1/4 of 1% (1990 - 1/8 of 1%) of the total outstanding debt guaranteed by the Province as at the preceding year end.

NOTE 4 - FIXED ASSETS (at cost)

	1991		
	Original Cost	Accumulated Depreciation	Construction in Progress
		(thousands of dollars)	
Generation	$ 2 543 398	$ 515 825	$ 775 160
Transmission	273 889	79 625	11 586
Substations	829 062	252 424	81 934
Distribution	670 769	227 249	18 202
Other	204 829	77 750	10 983
	$ 4 521 947	$ 1 152 873	$ 897 865

Construction in Progress includes $698 176 thousand (1990 - $1 070 353 thousand) in respect of the Limestone Generating Station. During the year four of the ten units of the Limestone Generating Station commenced operation.

	1990		
	Original Cost	Accumulated Depreciation	Construction in Progress
		(thousands of dollars)	
Generation	$ 1 916 399	$ 485 225	$ 1 092 927
Transmission	256 927	75 113	16 088
Substations	768 826	229 450	72 980
Distribution	631 968	210 112	11 001
Other	174 218	71 702	13 206
	$ 3 748 338	$ 1 071 602	$ 1 206 202

NOTE 5 - DEFERRED EXPENSES AND ADVANCES

	1991	1990
	(thousands of dollars)	
Amounts receivable from the Province under The Energy Rate Stabilization Act	$ 184 367	$ 185 595
Unamortized bond discount and expense	27 326	29 473
Unamortized planning study costs	19 424	53 635
Advance to the Northern Flood Committee Inc. (Note 10b)	4 312	4 514
Advance to the Split Lake Cree First Nation (Note 10b)	2 500	–
Deferred receivables	6 344	6 405
Unamortized foreign exchange net loss on long-term debt	–	419
Other	5 480	6 550
	$ 249 753	$ 286 591

NOTE 6 - LONG-TERM DEBT

Manitoba Hydro's long-term debt is either advanced from or guaranteed by the Province of Manitoba.

As provided by The Manitoba Hydro Act, the Corporation pays an annual sinking fund installment to the Minister of Finance of the Province of Manitoba of not less than 1% of the principal amount of the outstanding long-term debt on the preceding March 31, and 4% of the balance in the sinking fund at such date. Such installments would provide for the full retirement of a debt obligation only if the obligation was outstanding for 41 years. Income earned on sinking fund investments is remitted to the Corporation and is included with investment income for the year.

For the purpose of financing capital construction expenditures and repaying debt during the year, the Corporation arranged long-term financing in the principal amount of $768.8 million (1990 - $494.6 million) as follows:

- $65.4 million Manitoba Hydro Savings Bonds Series 2 due June 15, 1993 with interest at 12.25% during the first year and a minimum rate of 9% for the remaining two years. The bonds are subject to redemption semi-annually until maturity at the option of the bondholder.
- $403.4 million (U.S. $350.0 million) advance from the Province of Manitoba due October 1, 2000 with an interest rate of 9.5%.
- $300.0 million advance from the Province of Manitoba due March 5, 2031 with an interest rate of 10.5%. Debenture purchase warrants were issued in conjunction with the debt issue which provide the holder the option to purchase an equal amount of this issue at any time up to March 5, 1992 at the issue price.

Long-Term Debt:

	1991	1990
	(thousands of dollars)	
Total long-term debt outstanding –		
The Manitoba Hydro-Electric Board Bonds	$ 1 173 262	$1 192 843
Advances from the Province of Manitoba represented by debenture debt of the Province	3 124 429	2 707 653
Manitoba Hydro Savings Bonds	228 048	286 086
Advances from the Province of Manitoba under a loan agreement between the Province and Canada	130 618	131 246
	4 656 357	4 317 828
Less: Sinking fund on deposit with the Minister of Finance	457 037	429 391
	4 199 320	3 888 437
Less: Long-term debt maturing within one year – Maturities net of sinking fund plus annual sinking fund installment	314 601	331 811
	$ 3 884 719	$3 556 626

Debt Maturities:

			Cash Requirements (thousands of dollars)		
Years	Principal Amount of Maturities	Weighted Average Coupon Rate	Maturities Net of Sinking Fund	Annual Sinking Fund Installments	Total
1992	$ 298 232	9.34%	$ 252 921	$ 61 680	$ 314 601
1993	918 547	10.24%	814 967	59 360	874 327
1994	220 554	8.73%	170 077	48 418	218 495
1995	265 727	8.81%	199 667	46 299	245 966
1996	27 994	9.56%	20 978	43 109	64 087
	1 731 054	9.66%	1 458 610	258 866	1 717 476
1997 - 2001	1 572 649	8.81%	1 339 985	190 091	1 530 076
2002 - 2006	622 893	9.13%	337 378	121 028	458 406
2007 - 2011	174 036	8.74%	86 566	61 873	148 439
2012 - 2016	5 202	10.00%	3 117	67 939	71 056
2017 - 2031	550 523	10.11%	124 741	182 405	307 146
	$ 4 656 357	9.32%	$ 3 350 397	$ 882 202	$ 4 232 599

Currency In Which Payable:

	1991	1990
	(thousands of Canadian dollars)	
Canadian dollars	$ 1 841 509	$ 1 885 907
United States dollars	2 806 787	2 424 104
Swiss francs	8 061	7 817
	$ 4 656 357	$ 4 317 828

Debt denominated in United States currency is not subject to foreign exchange fluctuations as book value rates have either been fixed by the exposure management program's offset strategy, or have been fixed according to monetary contracts.

United States debt in the amount of Canadian $2 747 287 thousand is recorded at book value as established by the Corporation's exposure management program. In addition Canadian $59 500 thousand of United States debt has been fixed according to monetary contracts.

If United States debt recorded at book value rates as established by the exposure management program had been translated at the exchange rate prevailing at the balance sheet date ($1.00 United States = $1.1587 Canadian), the total obligation would have decreased by Canadian $86 772 thousand from Canadian $4 656 357 thousand to Canadian $4 569 585 thousand.

Swiss franc debt in the amount of Canadian $4 080 thousand has been fixed according to monetary contracts. A portion of the foreign exchange gains or losses on Swiss debt is the responsibility of the Province of Manitoba.

NOTE 7 – DEFERRED LIABILITIES

	1991	1990
	(thousands of dollars)	
Liabilities in respect of employee benefits:		
- Vested sick leave	$12 403	$10 966
- Banked vacation entitlement	5 525	4 422
- Long-term disability	2 195	1 883
- Severance benefits and other	1 605	1 445
	21 728	18 716
Refundable advances from customers	8 219	7 294
Capital lease obligations	390	533
	$30 337	$26 543

NOTE 8 – PENSION OBLIGATIONS

Manitoba Hydro employees are eligible for pensions under the Manitoba Civil Service Superannuation Fund. This fund is a defined benefit plan which requires the Corporation to contribute 50% of the pension disbursements made to retired employees. In addition, the Manitoba Hydro Retirement Plan continues to provide benefits to pensioners in respect of service prior to the date each employee entered the Manitoba Civil Service Superannuation Fund.

Actuarial valuations are carried out every three years and provide an estimate of the accrued pension benefits. The most recent actuarial valuations for the Manitoba Civil Service Superannuation Fund and Manitoba Hydro Retirement Plan were performed as at December 31, 1989 and March 31, 1991 respectively. These valuations incorporate management's best estimate assumptions which take into consideration the long-term nature of the pension plans.

Based on these assumptions, the actuarial present value of the unfunded accrued pension benefits (Note 12) is estimated to be $219.5 million as at March 31, 1991 (1990 - $218.7 million based on assumptions used at that time).

Pension expense for the year ended March 31, 1991 was $32.9 million based on the latest actuarial valuations (1990 - $31.7 million).

NOTE 9 - DEFERRED CREDITS

	1991	1990
	(thousands of dollars)	
Non-refundable capital contributions	$ 100 931	$ 97 053
Unamortized discount on purchase of sinking fund investments	9 422	10 616
Deferred interest income	2 332	1 880
Unamortized foreign exchange on sinking fund investments	187	491
Unamortized foreign exchange net gain on long-term debt	66	-
Other	114	108
	$ 113 052	$ 110 148

NOTE 10 - COMMITMENTS

a) Lease Commitments

In accordance with a lease agreement entered into during 1966 between Canada and the Province of Manitoba, direct current transmission facilities were constructed between the Kettle Generating Station and Winnipeg. The agreement provides for payment by the Corporation of the capital cost with accrued interest at 5.625% over a term of forty-five years in accordance with a payment schedule which required substantially smaller payments during the earlier years. The schedule provides for payment of $25 852 618 for the year ended March 31, 1991 (1990 - $25 852 618). Payments for the fiscal years 1992 to 2019 are calculated as an equal annual payment of $25 852 618 in order to amortize the outstanding balance over thirty years at 5.625%. The unpaid balance of principal plus accrued interest for transmission facilities amounted to approximately $358 620 000 as at March 31, 1991 (1990 - $363 885 000).

The Corporation's policy is to charge the lease payments to operations in the period in which they become payable. This policy is consistent with the intent of the lease agreement of providing economic relief to ratepayers during the early years of the Nelson River development. This economic relief has been realized and operations are now bearing lease payments which are in excess of the amount that would have been charged to operations had the Corporation adopted the C.I.C.A. recommendation on accounting for those capital leases entered into subsequent to January 1, 1979. If the C.I.C.A. recommendation had been adopted, the amount charged to operations for the year would have been reduced by $0.4 million and an additional net asset amount of approximately $158.8 million would have been recorded relating to the transmission facilities.

b) Mitigation Commitments

i) Churchill River Diversion & Lake Winnipeg Regulation Projects

a) Northern Flood Agreement

Manitoba Hydro is party to an agreement dated December 16, 1977 with Canada, the Province of Manitoba and the Northern Flood Committee Inc., which includes compensation and mitigation for the impact of the Churchill River Diversion and Lake Winnipeg Regulation projects. The total spent on compensation and mitigation during the year was $6.6 million (1990 - $11.0 million). A provision for the construction of a weir at Cross Lake is included in construction commitments. The total amount paid to March 31, 1991 under the Northern Flood Agreement is $54.3 million.

In addition to the above, in 1987 Manitoba Hydro advanced $5.0 million to the Northern Flood Committee Inc. to provide funds to the Indian Bands for their use in housing upgrading. This advance, adjusted for the time value of the advance, will reduce the amounts payable for future adjudicated claims. The balance of the advance at March 31, 1991 is $4.3 million.

Negotiations between Manitoba Hydro, Canada, the Province of Manitoba and the Northern Flood Committee Inc. directed towards a global settlement of outstanding obligations were unsuccessful. Manitoba Hydro has reverted to settlement of individual claims on an arbitrated or negotiated basis and has estimated its contingent liability to the five Bands of the Northern Flood Committee Inc. to be in excess of $60.0 million. Manitoba Hydro, Canada, and the Province of Manitoba are pursuing a potential settlement with one of the five Bands (Split Lake Cree First Nation). Manitoba Hydro has advanced $2.5 million to the Split Lake Cree First Nation against the proposed basis of settlement with this Band.

b) Non-Northern Flood Agreement Claims
During the year, Manitoba Hydro paid $0.5 million towards settlement of non-Northern Flood Agreement claims. These claims are submitted directly to Manitoba Hydro for consideration by claimants not party to the Northern Flood Agreement. The total amount paid to March 31, 1991 is $35.9 million. Manitoba Hydro is not able to precisely determine the contingent liability for submitted claims but has estimated it to be in excess of $4.0 million.

ii) Grand Rapids Project
Manitoba Hydro, in conjunction with the Province of Manitoba and the communities affected by the Grand Rapids hydroelectric development have completed a review of the impact of the project on the people of the communities. During the year a total of $21.1 million in compensation payments were provided by Manitoba Hydro to the communities of Easterville/Chemawawin and Moose Lake. Manitoba Hydro is not able to precisely determine its contingent liability with respect to the remaining communities.

c) Construction Commitments
Construction on the Limestone Generating Station has proceeded with first power provided September 8, 1990. The current forecasted cost of the new generating station is $1 451.4 million, of which costs of $1 278.8 million have been incurred to March 31, 1991.

Other outstanding commitments, principally for construction, were approximately $215.0 million (1990 - $184.7 million).

NOTE 11 – RESERVES

The following reserves are maintained by the Corporation:

Contingency and General Reserve
An amount as stipulated by The Manitoba Hydro-Electric Board may be transferred annually to this reserve. No transfers were made during 1991 or 1990.

Rate Stabilization Reserve
The net income (loss) after provision for the contingency and general reserve is transferred annually to this reserve.

NOTE 12 – SUBSEQUENT EVENTS

Subsequent to March 31, 1991, the Board of Directors of Manitoba Hydro approved a recommendation to commence funding of the Corporation's pension obligations. The initial funding of the obligations will amount to approximately $73.5 million based on the accumulated unfunded pension expense charged to operations to March 31, 1991. Thereafter annual contributions to the fund will equal each subsequent year's pension expense.

In addition to the foregoing, the Board of Directors of Manitoba Hydro approved a recommendation to consolidate the Manitoba Hydro Retirement Plan under the Manitoba Civil Service Superannuation Fund during the 1991-92 fiscal year.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Intercultural Council as at March 31, 1991 and the statements of revenues, expenditures and retained funds and revenues and expenditures for the Ethnocultural Community Support Fund and the schedule of expenditures for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA,
Provincial Auditor.

Winnipeg, Manitoba
April 11, 1991

Statement A

THE MANITOBA INTERCULTURAL COUNCIL

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

ASSETS

	1991	1990
Cash in bank less outstanding cheques	$ 25,404	$ (318)
Funds on deposit with the Minister of Finance	70,000	137,264
Accrued interest	1,543	1,709
Accounts receivable		
The Manitoba Lotteries Foundation	-	224,256
Other	10	-
	$ 96,957	$ 362,911

LIABILITIES AND FUND BALANCES

	1991	1990
Accounts payable	$ 7,874	$ 4,382
Commitments payable from the Ethnocultural Community Support Fund	-	136,162
	7,874	140,544
FUND BALANCES:		
Ethnocultural Community Support Fund, Statement C (Note 5)	-	76,304
Funds Retained for Working Capital and Future Operations, Statement B	89,083	146,063
	$ 96,957	$ 362,911

Statement B

THE MANITOBA INTERCULTURAL COUNCIL

Statement of Revenues, Expenditures and Retained Funds
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Government of the Province of Manitoba		
Operating grant	$228,700	$222,000
Biennial assembly grant	-	50,000
Manitoba CareerStart Program	-	2,024
	228,700	274,024
Investment income	13,894	13,476
Administration fees	6,486	50,945
Other revenues	341	2,440
Total revenues	249,421	340,885
Expenditures:		
Administration	254,763	274,648
Biennial Ethnocultural Assembly	203	38,462
Council meetings	27,268	26,499
Committees		
Executive	21,755	40,733
Community Resources Allocation	10	8,285
Standing Committees	2,402	4,650
Total expenditures, Schedule 1	306,401	393,277
Excess of expenditures over revenues	(56,980)	(52,392)
Funds Retained for Working Capital and Future Operations, beginning of year	146,063	198,455
Funds Retained for Working Capital and Future Operations, end of year, Statement A	$ 89,083	$146,063

Statement C

THE MANITOBA INTERCULTURAL COUNCIL

Statement of Revenues and Expenditures for the Ethnocultural Community Support Fund for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Revenues:		
Manitoba Lotteries Foundation Gaming Fund and Casino	-	$ 420,502
Investment income	$ 4,350	86,771
Total revenues	4,350	507,273
Expenditures:		
Allocations to organizations	-	858,084
Transfer to operations	-	42,050
Transfer to Multicultural Grants Advisory Council (Note 5)	80,629	415,000
Miscellaneous	25	-
Total expenditures	80,654	1,315,134
Excess of expenditures over revenues for the year	(76,304)	(807,861)
Balance, beginning of year	76,304	884,165
Balance, end of year, Statement A	$ -	$ 76,304

Schedule 1

THE MANITOBA INTERCULTURAL COUNCIL

Schedule of Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	Administration	Biennial Ethnocultural Assembly	Council Meetings	Executive Committee	Community Resources Allocation Committee	Standing Committees	Total 1991	Total 1990
Advertising and exhibits	$ 408	$ -	$ -	$ -	$ -	$ -	$ 408	$ 79
Equipment, furniture and maintenance	537	-	226	-	-	-	763	1,971
Miscellaneous	2,338	-	-	973	-	-	3,311	2,386
Per diem	-	-	8,416	8,450	-	546	17,412	41,207
Printing	16,704	3	574	1,139	10	58	18,488	16,349
Professional fees	4,097	-	-	575	-	-	4,672	6,520
Publications and education	3,368	-	-	922	-	-	4,290	7,400
Rent and meeting rooms	42,133	200	1,257	-	-	-	43,590	49,688
Salaries	163,340	-	-	-	-	-	163,340	194,163
Stationery	4,432	-	-	-	-	-	4,432	6,117
Telephone, postage and courier	14,873	-	123	1,418	-	133	16,547	15,163
Translation services	-	-	3,578	-	-	-	3,578	4,306
Travel, accommodation and meals	2,533	-	13,094	8,278	-	1,665	25,570	47,928
Total Expenditures, Statement B	$254,763	$203	$27,268	$21,755	$10	$2,402	$306,401	$393,277

THE MANITOBA INTERCULTURAL COUNCIL

Notes to Financial Statements
March 31, 1991

1. Nature of Organization

The Manitoba Intercultural Council is a Crown corporation established by The Manitoba Intercultural Council Act. The objective of the Council is to provide information and advice to the Province of Manitoba on ethnocultural matters and to promote intercultural activities which will increase knowledge and understanding among ethnocultural groups.

2. Accounting Policies

The Council's financial statements have been prepared using the accrual basis of accounting except for furniture and equipment expenditures and vacation pay.

Furniture and equipment expenditures are recognized in the year of acquisition. There is no provision for depreciation.

The Council does not record accrued vacation pay. The unrecorded liability as at March 31, 1991 is approximately $11,600 (1990 - $7,000).

3. Pension Plan

Effective April 1, 1987 the Council established a staff pension plan administered by The North American Life Assurance Company. The Council contributes to the Plan and the contributions and interest earned are applied on retirement to provide a money purchase pension. Employee contributions are voluntary. To date, no employees have contributed to the Plan. The Council's cost of contributions to the Plan for the year ended March 31, 1991 is $8,862 (1990 - $8,014).

4. Lease Commitment

The Council has a lease commitment for office rental expiring September 30, 1992. Basic annual rental excluding provision for escalation in taxes, insurance and operating costs is:

April 1, 1991 - March 31, 1992	30,000
April 1, 1992 - September 30, 1992	15,000

5. Ethnocultural Community Support Fund

During the year ended March 31, 1990, the responsibility for the distribution of Lotteries funds to multi-cultural organizations was transferred from the Council to the Multicultural Grants Advisory Council (MGAC). During the year ended March 31, 1991, the balance remaining in the Ethnocultural Community Support Fund was transferred to the MGAC. Allocations to organizations approved prior to the transfer were assumed by MGAC.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Lotteries Foundation as at March 31, 1991 and the statements of changes in fund accounts, operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1991 and the results of its operations and changes in its financial position for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H. Jackson

Winnipeg, Manitoba
June 17, 1991

F. H. Jackson, CA
Provincial Auditor

THE MANITOBA LOTTERIES FOUNDATION
BALANCE SHEET
MARCH 31, 1991

	NOTES	1991	1990
ASSETS			
Current Assets			
Cash	3	$5,970	$ 7,700
Accounts receivable	4	3,233	4,183
Inventories	5	634	505
		9,837	12,388
Fixed Assets	6	8,080	8,629
		$17,917	$21,017
LIABILITIES AND FUND ACCOUNTS			
Current liabilities			
Accounts payable and accruals	7	$2,277	$2,753
Due to the Government of Manitoba		4,536	4,747
Due to organizations		675	4,840
		7,488	12,340
Accumulated Pension Benefits		1,748	1,316
Fund Account Balances		8,681	7,361
		$17,917	$21,017

See accompanying notes to financial statements.

THE MANITOBA LOTTERIES FOUNDATION
STATEMENT OF CHANGES IN FUND ACCOUNTS
for the year ended March 31, 1991
(in thousands)

	CASINO	BINGO HALLS	GAMING	GENERAL	1991	1990
Balance - Beginning of Year	$ 1,518	$ 843	$ -	$5,000	$7,361	$14,876
Net income	8,641	4,575	48,050	-	61,266	54,308
	10,159	5,418	48,050	5,000	68,627	69,184
Less:						
Grants to organizations	22	4,208	-	-	4,230	31,265
Allocations to the Government of Manitoba	7,666	-	48,050	-	55,716	30,558
	7,688	4,208	48,050	-	59,946	61,823
Balance - End of Year	$2,471	$1,210	$ 0	$5,000	$8,681	$7,361

See accompanying notes to financial statements.

THE MANITOBA LOTTERIES FOUNDATION
STATEMENT OF OPERATIONS
for the year ended March 31, 1991
(in thousands)

	SCHEDULES	1991	1990
Revenue			
Lottery	1	$45,051	$44,528
Bingo and breakopen products	2	5,156	4,816
Bingo halls	3	4,575	4,636
Casino	4	8,641	1,529
License fees	5	322	191
Interest income		555	1,584
Other income		59	103
		64,359	57,387
Expenses			
General and administration	6	3,093	3,079
Net Income		$61,266	$54,308

See accompanying notes to financial statements.

THE MANITOBA LOTTERIES FOUNDATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended March 31, 1991
(in thousands)

	1991	1990
Cash provided by operating activities		
Net income	$61,266	$54,308
Non-cash charges to income:		
Depreciation and amortization	1,661	728
Loss (Gain) on write-offs and retirements	-	42
Deferred pension benefits	432	275
	63,359	55,353
Net changes in working capital items	345	2,936
Cash provided by operating activities	63,704	58,289
Cash distributions:		
The Government of Manitoba	(55,928)	(30,420)
Organizations	(8,394)	(32,234)
Cash provided by (used in) investment activities		
Purchase of fixed assets	(1,112)	(5,903)
Increase (decrease) in cash balance during the year	(1,730)	(10,268)
Cash balance, beginning of year	7,700	17,968
Cash balance, end of year	$5,970	$ 7,700

See accompanying notes to financial statements.

THE MANITOBA LOTTERIES FOUNDATION
SCHEDULE 1 - NET LOTTERY REVENUE
for the year ended March 31, 1991
(in thousands)

	1991	1990
Revenue		
Lottery Sales	$126,209	$126,526
Less: Cost of Sales	79,492	80,295
	46,717	46,231
Interest and other	1,811	1,645
	48,528	47,876
Expenses		
Advertising and promotion	177	90
Depreciation and amortization	37	37
Goods and services tax	11	-
Health and Education tax	24	22
Postage and telephone	17	15
Rentals, repairs and maintenance	42	40
Salaries and Benefits	1,112	1,001
Sundry	47	68
Travel	143	156
	1,610	1,429
	46,918	46,447
Payment to the Government of Canada	1,867	1,919
Net Lottery Revenue	$45,051	$44,528

THE MANITOBA LOTTERIES FOUNDATION
SCHEDULE 2 - NET BINGO AND BREAKOPEN PRODUCT REVENUE
for the year ended March 31, 1991
(in thousands)

	1991	1990
Revenue		
Bingo paper sales	$2,536	$2,367
Less: Cost of sales	1,875	1,940
	661	427
Breakopen ticket sales	6,953	6,556
Less: Cost of sales	2,098	1,861
	4,855	4,695
Expenses		
Advertising and promotion	48	58
Cartage	141	126
Depreciation and amortizations	2	4
Goods and services tax	41	-
Rentals, repairs and maintenance	47	47
Salaries and benefits	70	66
Sundry	11	5
	360	306
Net Revenue	$5,156	$4,816

THE MANITOBA LOTTERIES FOUNDATION
SCHEDULE 3 - NET BINGO HALLS REVENUE
for the year ended March 31, 1991
(in thousands)

	1991	1990
Revenue		
Bingo paper sales	$12,632	$11,843
Less: Prizes	7,940	7,379
Cost of sales	399	392
	4,293	4,072
Breakopen ticket sales	7,480	7,707
Less: Prizes	5,172	5,327
Cost of sales	663	614
	1,645	1,766
Refreshment concessions	199	195
	6,137	6,033
Expenses		
Advertising and promotion	44	51
Depreciation and amortization	107	144
Goods and Services Tax	13	-
Health and education tax	14	12
Rentals, repairs and maintenance	502	449
Salaries and benefits	641	549
Security	63	58
Shortages	101	98
Sundry	50	11
Supplies and printing	27	25
	1,562	1,397
Net Revenue	$4,575	$4,636

THE MANITOBA LOTTERIES FOUNDATION
SCHEDULE 4 - NET CASINO REVENUE
for the year ended March 31, 1991
(in thousands)

	1991	1990
Revenue		
Casino	$15,141	$4,991
Refreshment concessions and other	2	-
	15,143	4,991
Expenses		
Advertising and Promotion	687	442
Depreciation and amortization	1,309	296
Goods and Services Tax	46	-
Health and education tax	74	33
Postage, telephone and telex	53	36
Professional fees	69	115
Rentals, repairs and maintenance	495	419
Salaries and benefits	3,172	1,575
Security	246	139
Sundry	84	140
Supplies and printing	196	207
Travel	71	60
	6,502	3,462
Net Revenue	$8,641	$1,529

THE MANITOBA LOTTERIES FOUNDATION
SCHEDULE 5 - NET LICENSE FEE REVENUE
for the year ended March 31, 1991
(in thousands)

	1991	1990
Revenue		
License fees	$1,144	$1,019
Expenses		
Advertising and promotion	1	6
Depreciation and amortization	7	7
Health and education tax	16	16
Salaries and benefits	720	727
Sundry	4	-
Supplies and printing	14	12
Travel	60	60
	822	828
Net Revenue	$322	$191

MANITOBA LOTTERIES FOUNDATION
SCHEDULE 6 - GENERAL AND ADMINISTRATION EXPENSES
for the year ended March 31, 1991
(in thousands)

	1991	1990
Expenses		
Advertising and promotion	$ 126	$ 142
Board of directors	63	83
Cartage	12	11
Depreciation and amortization	199	240
Health and education tax	34	36
Pension	410	302
Postage, telephone and telex	115	135
Professional fees	155	86
Rentals, repairs and maintenance	181	247
Salaries and benefits	1,573	1,528
Sundry	109	144
Supplies and printing	104	103
Travel	12	22
	$3,093	$3,079

THE MANITOBA LOTTERIES FOUNDATION
NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 1991

1. Establishment of the Foundation and Nature of Operations

The Manitoba Lotteries Foundation was established by the Manitoba Lotteries Foundation Act.

The Manitoba Lotteries Foundation as an agent of the Government of the Province of Manitoba, is responsible for the overall conduct and management of all lottery schemes in Manitoba, except for raffles with prizes under three thousand dollars. The Foundation may issue licenses to organizations to hold lottery schemes, in which case the Foundation carries out a supervisory and compliance control.

The Foundation works co-operatively with the Western Canada Lottery Corporation (W.C.L.C.) and sells and distributes all lottery tickets in Manitoba. W.C.L.C. is responsible for designing lottery games, printing lottery tickets, determining winning numbers, paying out prizes, as well as other administrative responsibilities as determined by the member provinces.

The Manitoba Lotteries Foundation conducts and manages bingo and breakopen ticket lotteries at two bingo halls. The Foundation also conducts and manages the Crystal Casino and rural casinos in the Province of Manitoba.

2. Significant Accounting Policies

(a) Revenue and expenses recognition

Revenue and expenses are recorded on an accrual basis except for licensing revenue, which is recognized on a cash receipts basis, and lottery revenue, which is recorded as of the date of the draw.

(b) Fixed assets and depreciation

Fixed assets are recorded at cost.

Furniture and equipment are depreciated on a straight-line basis over 5 years.

Building is depreciated on a straight-line basis over 20 years.

Leasehold improvements are amortized over the term of the lease.

(c) Pension costs

Employees and officers of the Foundation are pensionable under the Civil Service Superannuation Fund (the Fund) and make contributions to the Fund at prescribed rates. The Foundation is required to pay 50% of the pension disbursements made to retired employees. It is the policy of the Foundation to charge to administrative expense, the employer's portion of pension benefits, including the amortization of any experience gains or losses, earned by employees. Experience gains or losses are amortized on a straight line basis over ten years. The unamortized balance of the experience loss at March 31, 1991 is $139,300. Pension costs are calculated on an indexed basis in accordance with a formula contained in the actuarial report prepared as of December 31, 1989.

(d) Fund accounts

The Foundation maintains specific fund accounts in order to recognize restrictions placed on the use of resources. The Balance Sheet combines the assets and liabilities of all the funds.

(i) Gaming fund

The Gaming fund account reflects the revenues and expenses of all lottery operations, except for casinos and bingo halls.

The funds in this account are payable to the Government of Manitoba.

(ii) Casino fund

The Casino fund account reflects the revenue and expenses of the casinos operated by the Foundation. The casino fund account is charged with all the direct expenses of operating the casino. There is no allocation of indirect expenses. The funds are payable to the Health Services Development Fund of the Government of Manitoba.

(iii) Bingo hall fund

The Bingo hall fund account reflects the revenue and expenses of the Bingo halls operated by the Foundation. The Bingo hall fund account is charged with the direct expenses of operating the bingo halls. There is no allocation of indirect expenses.

The funds are payable to umbrella groups and/or community organizations that participated in the bingo events.

(iv) General fund

The General fund account reflects $5,000,000 retained by the Foundation for working capital and investment in fixed assets.

3. Cash

Consists of cash as well as term deposits with the Minister of Finance.

	(in thousands) 1991	1990
Cash	$ 4,470	$ 4,200
Term deposits	1,500	3,500
	$ 5,970	$ 7,700

4. Accounts receivable

	(in thousands) 1991	1990
Western Canada Lottery Corporation	$ 2,804	$3,529
Trade	172	233
Accrued interest	8	58
Miscellaneous	249	363
	$ 3,233	$4,183

5. Inventories

Inventories are valued at the lower of cost and net realizable value.

	(in thousands) 1991	1990
Lottery tickets	$ 9	$ 11
Bingo paper	247	257
Breakopen tickets	378	237
	$ 634	$505

THE MANITOBA LOTTERIES FOUNDATION
NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 1991

6. Fixed Assets (in thousands)

	COST	ACCUMULATED DEPRECIATION and AMORTIZATION	1991 NET BOOK VALUE	1990 NET BOOK VALUE
Land	$1,345	$ -	$1,345	$ 1,345
Furniture and equipment	5,968	2,470	3,498	3,941
Building	1,807	429	1,378	1,426
Leasehold Improvements	3,255	1,396	1,859	1,917
	$12,375	$4,295	$8,080	$8,629

7. Accounts payable and accruals

(in thousands)

	1991	1990
Casino jackpot	$ 262	$ 123
Western Canada Lottery Corporation	2	32
Trade	1,171	1,760
Government of Manitoba	842	838
	$2,277	$2,753

8. Payment to Government of Canada

Effective January 1, 1980 the Government of Canada terminated its involvement in lotteries. In return, the ten provinces are to contribute an annual sum of $24,000,000 adjusted for inflation to the Federal Government. The Province of Manitoba's share for the 1991 fiscal year is $1,866,946 (1990 - $1,919,009).

9. Vacation Benefits

Employees of the Manitoba Lotteries Foundation earned vacation benefits throughout the year. The estimated value of these unrecorded benefits as of March 31, 1991 is $375,700 (1990 - $313,500).

10. Lease obligation and commitments

a) The future minimum rental payments relating to operating leases are as follows:

	(in thousands)
1992	$ 471
1993	449
1994	345
1995	201
1996	68
	$1,534

A significant portion of the leases are for facilities or rental of equipment.

11. Contingencies

Various legal actions have been commenced against the Foundation and the Foundation or it insurers are defending against all claims. While the outcome of these claims cannot be determined, management is of the opinion that the outcome of these actions will not have a material adverse effect on the Foundation's financial position.

No provision has been made in the accounts of the Foundation in respect to these claims as at March 31, 1991.

12. Comparative figures

Certain comparative figures have been reclassified so as to confirm with the presentation adopted in 1991.

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Mental Health Research Foundation as at March 31, 1991 and the statements of revenues and expenditures and changes in fund balances and change in financial position for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
April 26, 1991

The Manitoba Mental Health Research Foundation

Balance Sheet

	March 31 1991	 1990
Assets		
Cash	$126,319	$120,573
Liabilities and Fund Balances		
Accounts payable	$ 173	$ 134
Research grant commitments	60,929	64,887
	61,102	65,021
Unexpended funds		
General	59,649	50,057
Dr. Stephen McNevin Prize	5,322	5,273
Dr. Michael Kovacs	246	222
	$126,319	$120,573

The Manitoba Mental Health Research Foundation

Statement of Revenues and Expenditures and Changes in Fund Balances

For the year ended March 31, 1991

	General Fund	Dr. Michael Kovacs Fund	Dr. Stephen McNevin Prize	1991 Total	1990 Total
Revenues					
Grant from the Province of Manitoba	$ 15,000	$ -	$ -	$ 15,000	$ 15,000
Bank interest	11,950	24	549	12,523	12,647
Donations	2,427	-	-	2,427	6,656
Other	500	-	-	500	645
	29,877	24	549	30,450	34,948
Expenditures					
Administrative expenses	1,901	-	-	1,901	2,702
Research grant commitments	35,388	-	-	35,388	24,500
Research grant commitment recovery	(17,004)	-	-	(17,004)	(2,594)
Research prizes and awards	-	-	500	500	500
	20,285	-	500	20,785	25,108
Excess of revenues over expenditures	9,592	24	49	9,665	9,840
Unexpended funds, beginning of year	50,057	222	5,273	55,552	45,712
Unexpended funds, end of year	$ 59,649	$ 246	$ 5,322	$ 65,217	$ 55,552

The Manitoba Mental Health Research Foundation

Statement of Change in Financial Position

For the year ended March 31, 1991

	General Fund	Dr. Michael Kovacs Fund	Dr. Stephen McNevin Prize	1991 Total	1990 Total
Operations					
Excess of revenues over expenditures	$ 9,592	$ 24	$ 49	$ 9,665	$ 9,840
(Decrease) increase in accounts payable	39	-	-	39	(1)
	9,631	24	49	9,704	9,839
(Decrease) increase in research grant commitments - on behalf of grantees					
University of Manitoba	9,098	-	-	9,098	3,673
University of Winnipeg	3,448	-	-	3,448	(3,500)
Brandon University	(10,000)	-	-	(10,000)	(3,960)
St. Boniface Hospital	(4,504)	-	-	(4,504)	(9,783)
Other	(2,000)	-	-	(2,000)	1,950
	(3,958)	0	0	(3,958)	(11,620)
Cash increase (decrease)	$ 5,673	$ 24	$ 49	5,746	(1,781)
Cash balance, beginning of year				120,573	122,354
Cash balance, end of year				$126,319	$120,573

The Manitoba Mental Health Research Foundation

Notes to Financial Statements
March 31, 1991

1. Nature of the Foundation

The Foundation is incorporated under The Manitoba Mental Health Research Foundation Act. Its aims and objectives are to support and to promote the development of mental health research in Manitoba. The Foundation is a registered charity within the meaning of The Income Tax Act.

2. Significant accounting policies

a) The Foundation's financial statements have been prepared using the accrual basis of accounting.

b) The members of the Board of Governors serve without remuneration.

c) Research grant commitments are charged to expenditures when funding is formally approved and committed to by the Foundation.

3. Fund balances

a) Dr. Stephen McNevin Prize

The Dr. Stephen McNevin Prize was established by the Board of the Foundation in 1989/90. The income on the Fund is used to provide an award recognizing individual contributions to mental health research in Manitoba.

b) Dr. Michael Kovacs Fund

The Dr. Michael Kovacs Fund was established by the Board of the Foundation in 1986. The Fund has been designated for the support of those research projects which address long-term mental illness.

4. Subsequent event

Subsequent to March 31, 1991, the Foundation approved grant expenditures of $32,000 on behalf of projects submitted for its February 1, 1991 grant competition.

The Manitoba Mental Health Research Foundation

Schedule of Administrative Expenses

For the year ended March 31, 1991

	1991	1990
Administrative expenses		
Printing and stationery	$ 817	$ 560
Telephone, secretarial and photocopying	794	1,010
Postage and courier	253	243
Bank charges	27	30
Miscellaneous	10	359
Conferences and workshops	-	500
	$1,901	$2,702

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of The Milk Prices Review Commission as at March 31, 1991 and the statement of revenue and expenditure and funds available for future operations for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H. Jackson

Winnipeg, Manitoba
May 29, 1991

F.H. Jackson, CA
Provincial Auditor

THE MANITOBA MILK PRICES REVIEW COMMISSION

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Current Assets:		
Cash	$ 12,239	$ 1,176
	$ 12,239	$ 1,176
LIABILITIES AND FUNDS AVAILABLE FOR FUTURE OPERATIONS		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 10,462	$ 3,266
Funds available for future operations (overexpended)	1,777	(2,090)
	$ 12,239	$ 1,176

THE MANITOBA MILK PRICES REVIEW COMMISSION

Statement of Revenue and Expenditure and Funds Available for Future Operations
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenue:		
Grant from the Government of the Province of Manitoba	$ 26,542	$ 28,578
Interest	39	40
	26,581	28,618
Expenditure:		
Annual report	536	638
Commission - per diem and benefits	4,337	7,397
- travel	2,760	5,235
Office and postage	1,108	2,502
Professional fees	13,386	10,772
Sundry	587	932
Telephone	0	364
	22,714	27,840
Revenue over expenditure	3,867	778
Overexpended, beginning of the year	(2,090)	(2,868)
Funds available for future operations (overexpended), end of year	$ 1,777	$ (2,090)

THE MANITOBA MILK PRICES REVIEW COMMISSION

Notes to Financial Statements
for the year ended March 31, 1991

1. Nature of the Commission

The Manitoba Milk Prices Review Commission was established under the Manitoba Prices Review Act effective September 29, 1980. The Commission's mandate is to monitor prices of fluid milk, to set the price at which milk may be sold by a producer and if necessary, to set maximum and/or minimum prices at which fluid milk may be sold by a distributor, processor or retailer.

2. Accounting Policies

The Commission uses the accrual basis of accounting except for:

a) office equipment purchases which are charged to operations in the year of acquisition and

b) the financial statements do not reflect services provided by the Government of the Province of Manitoba as described in Note 3.

3. Services Provided by the Government of the Province of Manitoba

The Government of the Province of Manitoba provides staffing and office accommodations to the Commission at no charge. The estimated cost of these services is $76,000 (1990 - $84,000). In addition the Province used budgeted funds to pay administrative costs totalling $2,508 (1990 - $3,848) on behalf of the Commission.

Manitoba

AUDITOR'S REPORT

To the Shareholders of Manitoba Mineral Resources Ltd.

We have audited the balance sheet of Manitoba Mineral Resources Ltd. as at December 31, 1990 and the statements of operations and retained earnings and changes in cash resources for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Manitoba Mineral Resources Ltd. as at December 31, 1990 and the results of its operations and the changes in its cash resources for the year then ended in accordance with the accounting policies stated in Note 3 to the financial statements.

February 22, 1991
Winnipeg, Manitoba

F. H. Jackson, CA
Provincial Auditor

MANITOBA MINERAL RESOURCES LTD.

Balance Sheet
as at December 31, 1990
(with comparative figures at December 31, 1989)

	1990	1989
	(in thousands)	
Current assets:		
Cash - in bank	$ 32	$ 34
- in trust with the Minister of Finance	20,423	12,610
	20,455	12,644
Settlements and accounts receivable (Notes 3(b) & 5)	2,018	1,679
Loan receivable (Note 6)	-	7,517
Accrued interest receivable	1,175	585
Prepaid expenses	957	659
Total current assets	24,605	23,084
Deduct:		
Current Liabilities:		
Accounts payable	1,037	924
Working Capital	23,568	22,160
Add:		
Investment in Tanco (Note 7)	1	2,009
Fixed assets, net (Notes 3(c) and 8)	10,055	7,630
Net assets	$ 33,624	$ 31,799
Shareholder's Equity:		
Capital stock (Note 1):		
Authorized - unlimited number of shares without par value for unlimited consideration		
Issued and fully paid - 1,733,905 shares	$ 17,339	$ 17,339
Retained earnings	16,285	14,460
Total shareholder's equity	$ 33,624	$ 31,799

The accompanying notes are an integral part of these financial statements.

MANITOBA MINERAL RESOURCES LTD.

Statement of Operations and Retained Earnings
for the year ended December 31, 1990
(with comparative figures for the year ended December 31, 1989)

	1990	1989
	(in thousands)	
Income:		
Sale of concentrates from Trout Lake mine	$ 16,420	$ 18,260
Interest	2,686	2,560
Other	187	107
	19,293	20,927
Expenses:		
Administration	594	508
Depreciation and amortization	711	295
Exploration:		
Wholly-owned ventures	874	993
Joint ventures (Note 9)	1,581	1,209
Taxes (Note 11)	(104)	124
Trout Lake mine operations	11,824	9,873
Write-down of investment (Note 7)	2,008	-
	17,488	13,002
Net income before mining tax	1,805	7,925
Mining tax	(20)	310
Net income	1,825	7,615
Retained earnings, beginning of year	14,460	6,845
Retained earnings, end of year	$ 16,285	$ 14,460

The accompanying notes are an integral part of these financial statements.

MANITOBA MINERAL RESOURCES LTD.

Statement of Changes in Cash Resources
for the year ended December 31, 1990
(with comparative figures for the year ended December 31, 1989)

	1990	1989
Cash provided by (used for):	(in thousands)	
Operating activities:		
Net income	$ 1,825	$ 7,615
Items not involving cash		
Depreciation and amortization	711	295
Write-down of investment	2,008	-
	4,544	7,910
Changes in non-cash working capital balances:		
Settlements and accounts receivable	(340)	901
Loan receivable	7,517	-
Accrued interest receivable	(590)	(234)
Prepaid expenses	(298)	(199)
Accounts payable	113	486
	6,402	954
	10,946	8,864
Investment activities:		
Investment	-	(169)
Fixed asset acquisitions	(3,135)	(3,080)
	(3,135)	(3,249)
Increase in cash	7,811	5,615
Cash, beginning of year	12,644	7,029
Cash, end of year	$ 20,455	$ 12,644

The accompanying notes are an integral part of these financial statements.

MANITOBA MINERAL RESOURCES LTD.

Notes to the Financial Statements
for the year ended December 31, 1990

1. Status of the Corporation

Manitoba Mineral Resources Ltd. is a Crown corporation established under The Manitoba Natural Resources Development Act and incorporated under The Manitoba Corporations Act. All of the issued shares are held by the Government of the Province of Manitoba. The Corporation is authorized to issue an unlimited number of common shares for an unlimited maximum consideration.

2. Nature of the Operations

The Corporation undertakes exploration for minerals in the Province of Manitoba through wholly-owned ventures and joint ventures.

The Corporation also maintains an interest in the development, mining and processing of ore from the Trout Lake mine and the sale of concentrates. This activity is further explained in Note 4.

3. Significant Accounting Policies

(a) Accounting basis

The financial statements have been prepared in accordance with generally accepted accounting principles.

(b) Settlements receivable

The Corporation has contracts with Hudson Bay Mining and Smelting Co., Limited for the sale of the Corporation's concentrates. Under the terms of the contracts, the concentrates are deemed to be sold at the time of delivery of ore to the mill. The settlements receivable on sales of concentrates are recorded at the estimated net realizable value.

(c) Fixed assets and depreciation and amortization

i) Field and office equipment and vehicles are recorded at cost and are depreciated at various rates from 20% to 30% on a straight-line basis.

ii) Exploration costs are expensed as incurred. Costs associated with bringing a mining property into production are capitalized and then amortized by the unit of production method based on proven reserves.

4. Trout Lake Mine

The Trout Lake mine is an unincorporated joint venture in which the Corporation has a 27% interest, Hudson Bay Mining and Smelting Co., Limited has 44% and Granges Inc. has 29%. The joint venturers take the ore produced in proportion to their interests and are individually responsible for processing the ore and sale of the resulting concentrates.

5. Settlements and Accounts Receivable

	1990	1989
	(in thousands)	
Settlements receivable on sales of Trout Lake mine concentrates (Note 3(b))	$ 1,746	$ 1,615
Accounts receivable	272	64
	$ 2,018	$ 1,679

6. Loan Receivable

In 1988, the Corporation sold its rights to participate in the Callinan mine for $7,516,820. This amount was received in four quarterly installments in 1990.

MANITOBA MINERAL RESOURCES LTD.

Notes to the Financial Statements
for the year ended December 31, 1990

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7. Investment

The investment in Tantalum Mining Corporation of Canada Limited (Tanco) comprised the following at December 31, 1990:

	1990	1989
	(in thousands)	
250,000 Class C shares representing 25% of the issued and outstanding shares and 25% of a 5% income debenture	$ 723	$ 723
Shareholder's loan, including accrued interest	1,286	1,286
	2,009	2,009
Less write-down of investment	2,008	-
	$ 1	$ 2,009

In recognition of the decline in value of the non-producing investment in Tanco, Manitoba Mineral Resources Ltd. has written down the investment to a nominal value of $1,000. No interest was accrued for 1990.

8. Fixed Assets, Net

	(in thousands)			
	Cost	Accumulated Depreciation and Amortization	1990 Net Book Value	1989 Net Book Value
Trout Lake mine				
Development	$ 810	$ 594	$ 216	$ 251
Equipment	2,526	749	1,777	1,299
Shaft	8,058	461	7,597	5,909
Waste water treatment	405	15	390	106
	11,799	1,819	9,980	7,565
Field equipment	176	151	25	33
Office equipment	114	64	50	32
Vehicles	23	23	-	-
	$ 12,112	$ 2,057	$ 10,055	$ 7,630

9. Exploration Expenses - Joint Ventures

	1990	1989
	(in thousands)	
Joint ventures operated by Manitoba Mineral Resources Ltd.	$ 2,299	$ 1,089
Deduct: recoveries from joint venturers	1,060	411
	1,239	678
Joint ventures operated by others	342	531
	$ 1,581	$ 1,209

10. Employee Pension Plan

Under the terms of the Corporation's pension plan, employee contributions are matched by the Corporation and these amounts are contributed to a defined contribution pension plan. As a result, there are no unfunded plan liabilities and no outstanding corporate obligations.

11. Taxes

During the year ended December 31, 1990, the Corporation paid $4,443 in Health and Post Secondary Education Tax. The Corporation also received $108,690 in net refunds from its Corporation Capital Taxes.

12. Imputed Interest Cost Information

The following information is presented in accordance with a request by the Minister of Finance of the Government of the Province of Manitoba.

The annual carrying cost to the Government, for its investment of $17,339,005 in share capital of the Corporation during the year as shown in the Public Accounts, calculated at the weighted average interest rate of 10.06% paid by the Government in respect of its debt for the fiscal year ended March 31, 1990 is $1,837,935.

THE PROVINCE OF MANITOBA

DEPARTMENT OF ENERGY AND MINES

MANITOBA POTASH PROJECT

REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the Statement of Co-Tenancy Expenses and Recoveries for costs incurred by the Department of Energy and Mines on the Manitoba Potash Project for the year ended December 31, 1990, prepared in accordance with the Co-Ownership and Development Agreement effective January 1, 1986, between the Province of Manitoba and Potamine Potash Mining of Canada Inc. Our examination was made in accordance with generally accepted auditing standards, and included such tests and other procedures as we considered necessary.

In our opinion, this statement presents fairly the co-tenancy expenses and recoveries by the Department of Energy and Mines on the Manitoba Potash Project for the year ended December 31, 1990 in accordance with the provisions of Schedule E of the agreement referred to above.

February 22, 1990
Winnipeg, Manitoba

F. H. Jackson, CA
Provincial Auditor

THE PROVINCE OF MANITOBA

DEPARTMENT OF ENERGY AND MINES

MANITOBA POTASH PROJECT

Statement of Co-Tenancy Expenses and Recoveries for the year ended December 31, 1990

Industry promotion	$ 6,666
Consortium negotiation	3,498
Operating	509
	10,673
Recoveries from Canamax (Note 2)	(3,092)
Recoveries from Potamine (Note 2)	(2,351)
Payments to Canamax (Note 2)	35,917
Payments to Potamine (Note 2)	50,194
Total net expenses for the year	$ 91,341

The accompanying notes are an integral part of this statement.

THE PROVINCE OF MANITOBA

DEPARTMENT OF ENERGY AND MINES

MANITOBA POTASH PROJECT

Notes to Statement
for the year ended December 31, 1990

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1. Accounting Policy:

The Statement of Co-Tenancy Expenses and Recoveries has been prepared using the accrual basis of accounting.

2. Co-Ownership and Development Agreement:

The Province of Manitoba owns an undivided 49 percent beneficial interest and Canamax Resources Inc. owned an undivided 51 percent beneficial interest in the Manitoba Potash Project. Effective July 21, 1990, Potamine Potash Mining of Canada Inc. acquired Canamax's 51 percent beneficial interest in the Manitoba Potash Project. The agreement commits the Province of Manitoba and Potamine to spend up to $1,000,000 and $5,000,000 respectively before each party charges the other for its proportionate share of additional costs.

KPMG Peat Marwick Thorne

Chartered Accountants

Suite 800
200 Graham Avenue
Winnipeg, Manitoba, Canada
R3C 4M1

Telephone (204) 957-1770
Telefax (204) 957-0808

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the balance sheets of Manitoba Properties Inc. as at January 31, 1991 and 1990 and the statements of earnings and retained earnings and changes in financial position for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at January 31, 1991 and 1990 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.

Peat Marwick Thorne

Chartered Accountants

Winnipeg, Canada
April 26, 1991

MANITOBA PROPERTIES INC.

(Incorporated under the laws of Canada)

Balance Sheets

January 31, 1991 and 1990

	1991	1990
Assets		
Current assets:		
Cash	$ 45,803	$ 16,480
Accounts receivable	5,121,738	5,192,757
Prepaid expenses	30,288	23,915
	5,197,829	5,233,152
Fixed assets:		
Land	57,484,529	57,508,899
Buildings	882,515,766	882,751,063
	940,000,295	940,259,962
Accumulated depreciation	128,923,892	106,892,173
	811,076,403	833,367,789
	$ 816,274,232	$ 838,600,941
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 527,314	$ 543,749
Accrued interest payable	2,470,338	2,368,487
	2,997,652	2,912,236
Notes payable, Province of Manitoba (note 3)	252,950,600	241,350,856
Deferred income taxes (note 4)	40,632,248	35,953,407
	296,580,500	280,216,499
Shareholders' equity:		
Capital stock (note 5)	363,908,525	372,468,525
Contributed surplus (note 6)	131,774,821	131,709,786
Retained earnings	24,010,386	54,206,131
	519,693,732	558,384,442
Contingent liability (note 8)		
	$ 816,274,232	$ 838,600,941

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

MANITOBA PROPERTIES INC.

Statements of Earnings and Retained Earnings

Years ended January 31, 1991 and 1990

	1991	1990
Rent revenue	$ 61,414,312	$ 61,567,379
Expenses:		
Administrative	707,673	637,753
Depreciation	22,064,072	22,069,954
Interest on long-term debt	28,459,136	26,779,927
	51,230,881	49,487,634
	10,183,431	12,079,745
Gain on sale of fixed assets	32,353	247,208
Earnings before income taxes	10,215,784	12,326,953
Income taxes:		
Deferred	4,678,841	5,652,385
Large corporation tax	1,463,827	878,191
	6,142,668	6,530,576
Net earnings	4,073,116	5,796,377
Retained earnings, beginning of year	54,206,131	84,095,378
	58,279,247	89,891,755
Dividends paid on preferred shares	34,268,861	35,685,624
Retained earnings, end of year	$ 24,010,386	$ 54,206,131

Statements of Changes in Financial Position

Years ended January 31, 1991 and 1990

	1991	1990
Cash provided by (used in):		
Operations:		
Net earnings	$ 4,073,116	$ 5,796,377
Items not involving cash:		
Depreciation	22,064,072	22,069,954
Deferred income taxes	4,678,841	5,652,385
Gain on sale of fixed assets	(32,353)	(247,208)
Change in non-cash operating working capital	150,062	970,335
	30,933,738	34,241,843
Financing:		
Reduction of notes payable	(351,589)	(3,995,811)
Issue of notes payable	11,951,333	28,693,391
Dividends paid on preferred shares	(34,268,861)	(35,685,624)
Par value of preferred shares purchased for cancellation	(8,560,000)	–
Excess of par value of preferred shares acquired for cancellation over consideration paid, net of expenses	65,035	–
Retraction of preferred shares	–	(26,705,200)
	(31,164,082)	(37,693,244)
Investments:		
Proceeds from sale of fixed assets	259,667	3,490,811
Additions to fixed assets	–	(493,507)
	259,667	2,997,304
Increase (decrease) in cash position	29,323	(454,097)
Cash position, beginning of year	16,480	470,577
Cash position, end of year	$ 45,803	$ 16,480

See accompanying notes to financial statements.

MANITOBA PROPERTIES INC.

Notes to Financial Statements

Years ended January 31, 1991 and 1990

1. General:

The company's principal business is the rental of properties to the Province of Manitoba. The properties are located throughout the Province and comprised office buildings, educational establishments, correctional facilities, courts of law, and other buildings used for various governmental purposes.

2. Significant accounting policies:

(a) Fixed assets:

Fixed assets are recorded at cost. Depreciation on the buildings is recorded in the accounts on a straight-line basis over forty years.

(b) Capitalization of costs:

Legal costs incurred in the process of acquiring land and buildings are added to the acquisition cost of these fixed assets.

Interest costs incurred to finance construction in progress are added to the total cost of construction in progress.

3. Notes payable, Province of Manitoba:

	1991	1990
Notes payable, interest payable quarterly, due 1994, bearing interest at:		
13%	$ 125,205,153	$ 125,464,820
10%	52,786,492	52,786,492
11.4%	26,705,200	26,705,200
	204,696,845	204,956,512
Demand notes payable, interest payable quarterly, no fixed terms of repayment, bearing interest at:		
14%	477,590	-
13 3/4%	686,488	-
13 1/2%	1,367,814	-
13 1/4%	145,757	-
13%	124,240	-
12 3/4%	240,360	-
12 1/2%	2,179,689	1,398,192
12 1/4%	4,487,873	550,000
12%	444,467	-
11 3/4%	915,715	-
11 1/2%	2,284,693	25,000
11 1/4%	350,000	350,000
11%	253,094	125,084
10 3/4%	216,965	-
10 1/2%	5,674,096	5,541,154
10%	58,788	58,788
9 1/2%	8,536,126	8,536,126
9%	3,125,000	3,125,000
8 3/4%	3,850,000	3,850,000
8 1/2%	6,500,000	6,500,000
8 1/4%	2,450,000	2,450,000
8%	1,550,000	1,550,000
7 1/2%	1,000,000	1,000,000
7 1/4%	535,000	535,000
7%	800,000	800,000
	48,253,755	36,394,344
	$ 252,950,600	$ 241,350,856

4. Deferred income taxes:

As at January 31, 1991, the company has losses carried forward of approximately $22,573,000 which are available to reduce future years' income for tax purposes. The potential tax benefit has been recorded in the accounts as a reduction of deferred income taxes. These losses will expire as follows:

1992	$ 6,650,000
1993	2,443,000
1994	4,929,000
1995	3,184,000
1996	1,692,000
1997	1,789,000
1998	1,886,000
	$ 22,573,000

5. Capital stock:

		1991	1990
Authorized:			
Unlimited cumulative, redeemable, retractable preferred shares			
Unlimited common shares			
Issued:			
14,555,117	9 1/4% cumulative, redeemable, retractable series A preferred shares (14,897,517 in 1990)	$ 363,877,925	$ 372,437,925
30,600	common shares	30,600	30,600
		$ 363,908,525	$ 372,468,525

Series A preferred shares are redeemable on the following basis:

June 30,1989 to June 29, 1990	$ 26.00
June 30,1990 to June 29, 1991	25.80
June 30,1991 to June 29, 1992	25.60
June 30,1992 to June 29, 1993	25.40
June 30,1993 to June 29, 1994	25.20
June 30,1994 on	25.00

342,400 series A preferred shares having a par value of $25 per share for a total of $8,560,000 were purchased for cancellation during the 1991 fiscal year. On June 30, 1989, 1,068,208 of the series A preferred shares were retracted at $25 per share for a total of $26,105,200. 2,000 series A preferred shares were purchased for cancellation subsequent to January 31, 1991.

6. Contributed surplus:

Changes to contributed surplus during the year were as follows:

	1991	1990
Balance, beginning of year	$ 131,709,786	$ 131,709,786
Excess of par value of series A preferred shares purchased for cancellation over consideration paid	99,275	-
Expenses relating to the purchase of these shares	(34,240)	-
Balance, end of year	$ 131,774,821	$ 131,709,786

7. Related party transactions:

The common shares of the company are owned by two Crown Corporations of the Province of Manitoba.

(a) Registered titles to the company's properties are in the process of being transferred to the company. At January 31, 1991, titles which have not yet been transferred are being held for the company by the Province of Manitoba pursuant to trust agreements.

(b) During 1991 the company sold land and buildings to these two major shareholders for $259,667 (1990 – $3,490,811) which proceeds were applied to notes payable.

(c) The company leases all of its property to the Province of Manitoba under long-term lease agreements. The lease agreements have terms of ninety-nine years and provide for the renegotiation of rental payments every five years. Under the terms of the leases the Province of Manitoba, as tenant, is responsible for all costs relating to the maintenance and repair of the properties. The company is currently in the process of renegotiating it's lease agreements. At January 31, 1991, included in accounts receivable is $5,120,274 (1990 – $5,105,787) due from the Province of Manitoba.

8. Contingent liability:

Revenue Canada has under review the acquisition values of the properties purchased from the Province of Manitoba. This matter is currently under discussion and it is not possible at this time, to determine the amount of adjustment for income taxes, if any, which may be required. Any such adjustment for income taxes will be recorded as a prior period adjustment.

KPMG Peat Marwick Thorne

Chartered Accountants

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AUDITORS' REPORT TO THE SHAREHOLDER

We have audited the balance sheet of Manitoba Properties Leasing Inc. as at December 31, 1990 and the statements of operations and retained earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles described in note 1 to the financial statements.

Peat Marwick Thorne

Chartered Accountants

Winnipeg, Canada

April 26, 1991

MANITOBA PROPERTIES LEASING INC.

(Incorporated under the laws of Canada)
Balance Sheet

December 31, 1990, with comparative figures for 1989

	1990	1989
Assets		
Cash	$ 5,694	$ 6,654
Investment in Manitoba Properties Inc., a 50% owned company, 15,300 common shares	170,510,891	170,510,891
	$ 170,516,585	$ 170,517,545
Liabilities and Shareholder's Equity		
Accounts payable	$ 1,308	$ 1,000
Shareholder's equity:		
Capital stock:		
Authorized:		
Unlimited common shares		
Issued:		
170,495,391 common shares	170,513,381	170,513,381
Retained earnings	1,896	3,164
	170,515,277	170,516,545
Contingent liability (note 2)		
	$ 170,516,585	$ 170,517,545

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

MANITOBA PROPERTIES LEASING INC.

Statement of Operations and Retained Earnings

Year ended December 31, 1990, with comparative figures for 1989

	1990	1989
Administrative costs	$ 1,268	$ 1,000
Loss for the year	1,268	1,000
Retained earnings, beginning of year	3,164	4,164
Retained earnings, end of year	$ 1,896	$ 3,164

See accompanying notes to financial statements.

MANITOBA PROPERTIES LEASING INC.

Statement of Changes in Financial Position

Year ended December 31, 1990 with comparative figures for 1989

	1990	1989
Cash provided by (used in):		
Operations:		
Loss for the year	$ (1,268)	$ (1,000)
Change in non-cash operating working capital	308	–
	(960)	(1,000)
Financing:		
Assumption of notes payable upon purchase of 50% undivided interest in fixed assets	129,834	1,745,405
Assumption of notes payable by Province of Manitoba upon sale of 50% undivided interest in fixed assets	(129,834)	(1,745,405)
	–	–
Investments:		
Purchase of 50% undivided interest in fixed assets	(129,834)	(1,745,405)
Sale of 50% undivided interest in fixed assets	129,834	1,745,405
	–	–
Decrease in cash	960	1,000
Cash, beginning of year	6,654	7,654
Cash, end of year	$ 5,694	$ 6,654

See accompanying notes to financial statements.

MANITOBA PROPERTIES LEASING INC.

Notes to Financial Statements

Year ended December 31, 1990

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1. Significant accounting policies:

Investment in Manitoba Properties Inc., a 50% owned company:

The investment in Manitoba Properties Inc. is recorded using the cost method. Under the cost method, investments are carried at cost and earnings are reflected only to the extent of dividends received.

The Canadian Institute of Chartered Accountants has recommended that the equity method normally be used to account for investments of this type. However, in this case, the shareholder has access to all pertinent information concerning the resources and results of operations of Manitoba Properties Inc. and has decided to record the investment at cost. As these financial statements have not been prepared for general purposes, some users may require further information.

In all other respects, these financial statements have been prepared in accordance with generally accepted accounting principles.

2. Contingent liability:

The company is contingently liable to the Province of Manitoba for the following promissory notes assumed by Manitoba Properties Inc:

Year assumed	Amount	Due date
1985	$ 125,205,153	July 31, 1994
1986	49,945,371	July 31, 1994
1986	2,785,121	July 31, 1994
1987	56,000	July 31, 1994
	$ 177,991,645	

3. Related party transactions:

During the year the company purchased a 50% interest in land and building from Manitoba Properties Inc. for $129,834 (1989 – $1,745,405) and then immediately sold it for the same consideration to the Province of Manitoba.

4. Income taxes:

The company is a Crown Corporation and as such is non-taxable.

KPMG Peat Marwick Thorne

Chartered Accountants

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AUDITORS' REPORT TO THE SHAREHOLDER

We have audited the balance sheet of Manitoba Properties Management Inc. as at December 31, 1990 and the statements of operations and retained earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles described in note 1 to the financial statements.

Peat Marwick Thorne

Chartered Accountants

Winnipeg, Canada
April 26, 1991

MANITOBA PROPERTIES MANAGEMENT INC.

(Incorporated under the laws of Canada)
Balance Sheet

December 31, 1990, with comparative figures for 1989

	1990	1989
Assets		
Current assets:		
Cash	$ 5,707	$ 6,667
Investment in Manitoba Properties Inc., a 50% owned company, 15,300 common shares	170,510,891	170,510,891
	$ 170,516,598	$ 170,517,558
Liabilities and Shareholder's Equity		
Accounts payable	$ 1,273	$ 1,000
Shareholder's equity:		
Capital stock:		
Authorized:		
Unlimited common shares		
Issued:		
170,495,391 common shares	170,513,381	170,513,381
Retained earnings	1,944	3,177
	170,515,325	170,516,558
Contingent liability (note 2)		
	$ 170,516,598	$ 170,517,558

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

MANITOBA PROPERTIES MANAGEMENT INC.

Statement of Operations and Retained Earnings

Year ended December 31, 1990, with comparative figures for 1989

	1990	1989
Administrative costs	$ 1,233	$ 1,000
Loss for the year	1,233	1,000
Retained earnings, beginning of year	3,177	4,177
Retained earnings, end of year	$ 1,944	$ 3,177

See accompanying notes to financial statements.

MANITOBA PROPERTIES MANAGEMENT INC.

Statement of Changes in Financial Position

Year ended December 31, 1990 with comparative figures for 1989

	1990	1989
Cash provided by (used in):		
Operations:		
Loss for the year	$ (1,233)	$ (1,000)
Change in non-cash operating working capital	273	–
	(960)	(1,000)
Financing:		
Assumption of notes payable upon purchase of 50% undivided interest in fixed assets	129,834	1,745,405
Assumption of notes payable by Province of Manitoba upon sale of 50% undivided interest in fixed assets	(129,834)	(1,745,405)
	–	–
Investments:		
Purchase of 50% undivided interest in fixed assets	(129,834)	(1,745,405)
Sale of 50% undivided interest in fixed assets	129,834	1,745,405
	–	–
Decrease in cash	960	1,000
Cash, beginning of year	6,667	7,667
Cash, end of year	$ 5,707	$ 6,667

See accompanying notes to financial statements.

MANITOBA PROPERTIES MANAGEMENT INC.

Notes to Financial Statements

Year ended December 31, 1990

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1. Significant accounting policies:

Investment in Manitoba Properties Inc., a 50% owned company:

The investment in Manitoba Properties Inc. is recorded using the cost method. Under the cost method, investments are carried at cost and earnings are reflected only to the extent of dividends received.

The Canadian Institute of Chartered Accountants has recommended that the equity method normally be used to account for investments of this type. However, in this case, the shareholder has access to all pertinent information concerning the results of operations of Manitoba Properties Inc. and has decided to record the investment at cost. As these financial statements have not been prepared for general purposes, some users may require further information.

In all other respects, these financial statements have been prepared in accordance with generally accepted accounting principles.

2. Contingent liability:

The company is contingently liable to the Province of Manitoba for the following promissory notes assumed by Manitoba Properties Inc.:

Year assumed	Amount	Due date
1985	$ 125,205,153	July 31, 1994
1986	49,945,371	July 31, 1994
1986	2,785,121	July 31, 1994
1987	56,000	July 31, 1994
	$ 177,991,645	

3. Related party transactions:

During the year the company purchased a 50% interest in land and building from Manitoba Properties Inc. for $129,834 (1989 – $1,745,405) and then sold it immediately for the same consideration to the Province of Manitoba.

4. Income taxes:

The company is a Crown Corporation and as such is non-taxable.

Auditors' Report

The Board of Directors
The Manitoba Public Insurance Corporation

We have audited the balance sheet of The Manitoba Public Insurance Corporation as at October 31, 1990 and the statements of operations and of retained earnings for the Automobile Insurance Division and the General Insurance Division and the statement of changes in cash and short-term investments and the schedule of investments for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at October 31, 1990 and the results of its operations and the changes in its cash and short-term investments for the year then ended in accordance with generally accepted accounting principles.

Peat Marwick Thorne

Peat Marwick Thorne
Chartered Accountants

Winnipeg, Canada
December 14, 1990

Balance Sheet

	October 31 1990	1989
	(in thousands of dollars)	
ASSETS		
Cash and short-term investments (Note 4)	$ 99,046	$ 88,491
Accounts receivable (Note 5)	40,836	39,535
Prepaid expenses and inventories	952	1,010
Deferred premium acquisition costs	11,706	11,663
Investments (Schedule 1)	478,588	434,243
Receivable from Province of Manitoba (Note 10)	32,193	32,193
Property and equipment (Note 6)	18,714	16,197
Organizational and deferred development costs	721	3,039
	$682,756	$626,371

Approved by the Board:

Chairman

Director

Balance Sheet

	Year Ended October 31 1990	 1989
	(in thousands of dollars)	
LIABILITIES AND RETAINED EARNINGS		
LIABILITIES		
Automobile Insurance Division		
Accounts payable and accrued liabilities	$ 17,328	$ 14,779
Provision for pension	28,760	24,397
Unearned premiums	108,086	104,612
Provision for unpaid claims	359,674	320,576
	513,848	464,364
General Insurance Division		
Accounts payable and accrued liabilities	6,057	9,970
Provision for pension	4,562	3,870
Unearned premiums	14,226	15,439
Provision for unpaid claims	65,369	74,993
	90,214	104,272
	604,062	568,636
RETAINED EARNINGS		
Automobile Insurance Division	41,326	31,462
General Insurance Division	37,368	26,273
	78,694	57,735
	$ 682,756	$ 626,371

Automobile Insurance Division - Statement of Operations

	Year Ended October 31 1990	 1989
	(in thousands of dollars)	
REVENUE		
Premiums written	$308,099	$292,108
Premiums earned	$304,624	$292,672
Investment income	57,556	49,993
Total earned revenues	362,180	342,665
CLAIMS COSTS		
Claims incurred	268,857	246,264
Claims expense	36,229	33,458
	305,086	279,722
EXPENSES		
Operating	22,386	18,709
Commissions	15,568	14,812
Premium taxes	9,276	8,929
	47,230	42,450
Total claims and expenses	352,316	322,172
INCOME FOR THE YEAR	$ 9,864	$ 20,493

General Insurance Division - Statement of Operations

		Year Ended October 31 1990		1989
		(in thousands of dollars)		
REVENUE				
Premiums written		$ 21,542		$ 21.920
Premiums earned		$ 20.766		$ 20,941
Investment income		5,819		4.128
Total earned revenues		26,585		25,069
CLAIMS COSTS				
Claims incurred		10,565		10.101
Claims expense		337		299
		10,902		10.400
EXPENSES				
Operating		3,065		2,541
Commissions		2,210		2,199
Premium taxes		645		650
		5,920		5.390
Total claims and expenses		16,822		15.790
Income before discontinued operations		$ 9,763		$ 9,279
Income from discontinued operations (Note 11):				
Personal and commercial lines	$ 889		$ 315	
Reinsurance assumed	443	1,332	343	658
INCOME FOR THE YEAR		$ 11,095		$ 9,937

Automobile Insurance Division - Statement of Retained Earnings

	Year Ended October 31	
	1990	1989
	(in thousands of dollars)	
Unappropriated:		
Balance at beginning of year	$ —	$ —
Income for the year	9,864	20,493
Transfer to reserve for rate stabilization	(9,864)	(20,493)
	—	—
Appropriated:		
Reserve for rate stabilization	41,326	31,462
RETAINED EARNINGS AT END OF YEAR	$ 41,326	$31,462

General Insurance Division - Statement of Retained Earnings

	Year Ended October 31	
	1990	1989
	(in thousands of dollars)	
Balance at beginning of year:		
Special risk extension	$ 25,585	$ 16,306
Personal and commercial lines	(2,435)	(2,750)
Discontinued reinsurance assumed operations	3,123	2,780
	26,273	16,336
Income for the year:		
Special risk extension	9,763	9,279
Discontinued personal and commercial lines	889	315
Discontinued reinsurance assumed operations	443	343
	11,095	9,937
Balance at end of year:		
Special risk extension	35,348	25,585
Discontinued personal and commercial lines	(1,546)	(2,435)
Discontinued reinsurance assumed operations	3,566	3,123
	$ 37,368	$ 26,273

Statement of Changes in Cash and Short-Term Investments

	Year Ended October 31 1990	 1989
	(in thousands of dollars)	
RESOURCES PROVIDED FROM (APPLIED TO) OPERATIONS		
Income for the year from continuing operations	$ 19,627	$29,772
Non-cash items:		
Depreciation and amortization	2,806	2,719
	22,433	32,491
Discontinued operations	(1,919)	3,667
	20,514	36,158
INCREASE (DECREASE) IN RESOURCES		
Accounts receivable	(3,671)	(1,460)
Prepaid expenses and inventories	61	(56)
Deferred premium acquisition costs	(513)	33
Accounts payable and accrued liabilities	2,755	2,272
Provision for pension	4,603	4,287
Unearned premiums	4,250	414
Provision for unpaid claims	40,817	44,260
	48,302	49,750
RESOURCES PROVIDED FROM (APPLIED TO) INVESTING ACTIVITIES		
Acquisition of property and equipment, net of proceeds from disposals	(4,629)	(4,115)
Change in investments	(53,506)	(86,824)
Change in organizational and deferred development costs	(126)	252
	(58,261)	(90,687)
INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS	10,555	(4,779)
Cash and short-term investments at beginning of year	88,491	93,270
CASH AND SHORT-TERM INVESTMENTS AT END OF YEAR (NOTE 4)	$ 99,046	$ 88,491

Notes to Financial Statements

October 31,1990

1. *STATUS OF THE CORPORATION*

The Manitoba Public Insurance Corporation was incorporated as a Crown Corporation under The Automobile Insurance Act in 1970. In 1974 The Automobile Insurance Act was revised and became The Manitoba Public Insurance Corporation Act (Chapter A180 of the continuing consolidation of the statutes of Manitoba). In 1988 the Act was re-enacted in both official languages as Chapter P215 of the Statutes of Manitoba.

Under the provisions of its Act and regulations, the Corporation operates an automobile insurance division and a general insurance division. The automobile insurance division provides universal compulsory automobile insurance and extension coverage upon such terms and conditions as may be prescribed by the regulations. The general insurance division insures such risks as personal property, commercial property, liability, and special risk extension coverage. For financial accounting purposes, the automobile insurance division and the general insurance division are regarded as separate operations and their revenues and expenses are allocated on a basis described in the summary of significant accounting policies.

2. *BASIS OF REPORTING*

The financial statements of the Corporation are in such form as prescribed by Section 43(1) of The Manitoba Public Insurance Corporation Act and are presented in accordance with generally accepted accounting principles.

3. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

This summary outlines those accounting policies followed by the Corporation which have a significant effect on the financial statements.

Deferred Premium Acquisition Costs

Commissions and premium taxes are charged to expense over the terms of the insurance contracts to which such costs relate.

Investments

Investments are carried at amortized costs. The applicable discounts or premiums are amortized over the life of the investment. Funds available for investments are invested by the Department of Finance, on behalf of the Corporation, in accordance with Section 12(1) of The Manitoba Public Insurance Corporation Act. Gains and losses realized on the disposal of investments are recognized on the date of sale.

Notes to Financial Statements (continued)

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis at rates which will amortize the cost of each asset over its estimated useful life at the following annual rates:

Buildings	2.5%
Equipment	10.0%
Data processing equipment	33.3%
Automotive equipment	20.0%
Land improvements	4.0%

Leasehold improvements are amortized over the term of the lease plus the first renewal period.

Organizational and Deferred Development Costs

The costs of organizing or re-organizing major computer programs which are expected to be of continuing benefit to the Corporation are deferred to future periods. These organizational and computer program expenditures are stated at cost net of accumulated amortization and are amortized on a straight line basis at the rate of 10% per year.

Pension Plan

The employees of the Corporation are subject to the Civil Service Superannuation Act. Included in the accounts is a provision for the full funding of the employer's future pension liability calculated on an indexed basis, based on the most recent actuarial valuation at December 31, 1989. Experience gains and losses are amortized over the expected average remaining service life of the employee group.

Severance Pay

Employees of the Corporation are entitled to severance pay in accordance with the Collective Agreement and company policy. The liability for severance pay based on an actuarial valuation at October 31, 1988, is being amortized over fourteen years commencing with the 1988 fiscal year.

Unearned Premiums

The liability for unearned premiums is the portion of premiums that relate to the unexpired term of each insurance contract.

Provision for Unpaid Claims

The provision for unpaid claims includes a provision for reported unpaid claims, an estimate for unreported claims and a provision for claims adjusting costs for reported and unreported claims.

Long term disability claims are recorded on a discounted basis to reflect the time value of money.

Premium Deficiencies

A premium deficiency exists when future claims and expenses exceed

Notes to Financial Statements (continued)

unearned premiums. In calculating a premium deficiency, the Corporation recognizes anticipated investment income.

Allocation of Revenue, Claims Incurred and Expenses

Premiums written, premiums earned and claims incurred are allocated directly to the division writing the insurance risk.

Investment income has been allocated to the automobile and general insurance divisions based on a monthly averaging of the funds available within each division.

Expenses, including claims expense, are allocated to the automobile and general insurance divisions on the following basis:

i) Identifiable direct expenses are charged to each division.

ii) Where direct allocation is impracticable, expenses are prorated to each division based on factors such as space, number of employees, time usage, etc. The formulas developed for the allocation of expenses are approved by the Board of Directors.

Reinsurance Ceded

The financial statements are prepared net of ceded reinsurance.

Foreign Currency Translation

Monetary items are adjusted to reflect the exchange rate in effect at the year-end. Revenue and expense items are translated at the exchange rate in effect at the transaction date. Unrealized gains and/or losses arising on translation are charged to operations in the current year.

4. *CASH AND SHORT-TERM INVESTMENTS*

	1990	1989
	(in thousands of dollars)	
Cash and short-term certificates	$81,544	$79,317
Investments maturing within one year	17,502	9,174
	$99,046	$88,491

At October 31, 1990 the Corporation has committed $25.4 million (1989 - $18.4 million) for the purchase of various long term securities.

5. *ACCOUNTS RECEIVABLE*

	1990		1989	
	Subrogation	Other	Subrogation	Other
	(in thousands of dollars)			
Accounts receivable	$16,752	$38,651	$13,517	$37,714
Less allowance for doubtful accounts	12,565	2,002	9,825	1,871
	$ 4,187	$36,649	$ 3,692	$35,843

Notes to Financial Statements (continued)

6. *PROPERTY AND EQUIPMENT*

	1990			1989
	Cost	Accumulated Depreciation and Amortization	Net	Net
	(in thousands of dollars)			
Land	$ 1,403	$ —	$ 1,403	$ 1,403
Land improvements	2,228	85	2,143	2,013
Buildings	12,215	2,705	9,510	9,246
Equipment	10,972	6,368	4,604	3,374
	26,818	9,158	17,660	16,036
Leasehold improvements	2,482	1,428	1,054	161
	$29,300	$10,586	$18,714	$16,197

7. *REINSURANCE*

The Corporation follows the practice of obtaining reinsurance to limit its exposure to losses. Under agreements in effect at October 31, 1990, these reinsurance arrangements limit the Corporation's exposure to a maximum amount of $1,000,000 on any one occurrence.

The reinsurance arrangements also limit the Corporation's liability in respect to a series of claims arising out of a single occurrence, including catastrophic claims, to a maximum of $4,500,000. These arrangements protect the Corporation against losses up to $130,000,000 combined for the Automobile Insurance Division and the General Insurance Division.

Certain lines of insurance carry maximum limits lower than these amounts. While these arrangements are made to protect against large losses, the primary liability to the policyholders remains with the Corporation.

8. *LEASE COMMITMENTS*

The Corporation is committed to make payments during the next six years on buildings leased for periods of more than one year. The aggregate annual rental of the commitments under the leases, which expire at varying dates to November 30, 1995, are:

1990/91	$1,835,000
1991/92	1,678,000
1992/93	1,666,000
1993/94	1,666,000
1994/95	1,666,000
Balance to expiry	139,000

Notes to Financial Statements (continued)

9. *DISCOUNTED CLAIMS RESERVES*

The provision for unpaid claims includes $15.7 million (1989 - $12.9 million) in unpaid long term disability claims. This provision is discounted to reflect the time value of money.

10. *RECEIVABLE FROM PROVINCE OF MANITOBA*

The Province of Manitoba, in the Appropriation Act, 1988, authorized the funding of the October 31, 1987 deficit of the General Insurance Division's discontinued reinsurance assumed operations in the amount of $32,193,000. The Corporation and the Province of Manitoba will prepare a plan, when required, to determine the timing of payments.

11. *DISCONTINUED OPERATIONS*

a) Reinsurance Assumed

The Corporation underwrote a portfolio of assumed reinsurance, which accepted a portion of the risk of other insurers. Effective November 18, 1987 the Corporation discontinued writing reinsurance assumed business. Claims costs and expenses will continue to be incurred until all claims on existing treaties are settled. In addition, premiums relating to the assumed business will be reflected in operations as they are earned. For the year ended October 31, 1990 the results are:

	1990	1989
	(in thousands of dollars)	
Premiums written	$ 1	$ 1,678
Premiums earned	$ 2	$ 1,871
Investment income	1,419	2,409
Total earned revenues	1,421	4,280
Claims incurred	299	2,364
Operating expenses	698	1,033
Commissions	(19)	540
Total claims and expenses	978	3,937
Income from discontinued reinsurance assumed operations	$ 443	$ 343

b) *Personal and Commercial Lines*

Effective October 1, 1990, the Corporation discontinued writing personal and commercial insurance policies under an agreement with another Property and Casualty insurer. Policies renewed during the next fifteen months under the terms of that agreement, will earn fees to the Corporation of 7.5% of gross premiums paid. Claims costs and expenses will

Notes to Financial Statements (continued)

continue to be incurred until all claims on existing policies are settled.

For the year ended October 31, 1990, the results of discontinued Personal and Commercial Lines operations are as follows:

	1990	1989
	(in thousands of dollars)	
Premiums written	$11,663	$14,565
Premiums earned	$13,651	$15,380
Investment income	1,890	868
Total earned revenues	**15,541**	16,248
Claims incurred	4,398	6,265
Claims expense	1,181	1,328
Operating expenses	3,065	3,846
Commissions	3,392	3,725
Premium taxes	693	769
Total claims and expenses	**12,729**	15,933
Income before disposal costs	**2,812**	315
Disposal costs	1,923	—
Income from discontinued personal and commercial lines operations	**$ 889**	$ 315

Included in the balance sheet at October 31, 1990 are the following amounts for all discontinued operations:

Assets	(in thousands of dollars)
Cash and investments	$26,004
Accounts receivable	36,900
Other assets	2,290
	$65,194
Liabilities and Retained Earnings	
Unearned premiums	$ 5,774
Provision for unpaid claims	49,093
Other liabilities	8,307
Retained earnings	2,020
	$65,194

12. *GOODS AND SERVICES TAX*

The financial statements are prepared on a tax free status under the Goods and Services Tax legislation which will come into effect on January 1, 1991.

13. *COMPARATIVE FIGURES*

For comparative purposes, certain 1989 balances have been reclassified to conform with the 1990 financial statement presentation.

Schedule 1

Schedule of Investments as at October 31, 1990

Description of Securities	Par Value	Book Value
Federal:		
Government of Canada	$35,000,000	$34,633,000
Provincial:		
Province of Manitoba	88,876,000	88,687,000
Province of Quebec	7,000,000	6,955,000
Province of New Brunswick	5,000,000	4,629,000
Newfoundland Municipal Financial Corporation	1,250,000	1,250,000
Province of Saskatchewan	7,000,000	6,792,000
Manitoba Telephone System	21,779,000	21,552,000
Ontario Hydro - Electric Commission	4,500,000	4,073,000
Ontario Hydro	32,000,000	29,561,000
Manitoba Hydro	15,821,000	15,236,000
B. C. Hydro & Power	7,600,000	7,103,000
Quebec Hydro-Electric	5,000,000	4,983,000
Quebec Hydro	23,000,000	22,404,000
	218,826,000	213,225,000
Hospitals:		
Arborg and Districts Health Centre	1,448,000	1,448,000
Baldur Hospital District	115,000	115,000
Brandon General Hospital	649,000	644,000
Boissevain Hospital District	395,000	395,000
Boyne Valley Hostel Corporation	672,000	672,000
Carman - Memorial Hospital District No. 20	2,192,000	2,192,000
Dauphin General Hospital	6,000,000	5,868,000
Deloraine Hospital District No. 14	297,000	297,000
The De Salaberry Hospital District No. 27A	95,000	95,000
Fairview Retirement Homes	2,300,000	2,248,000
Flin Flon General Hospital	240,000	240,000
Gimli Hospital District #39	245,000	245,000
Grace General Hospital	316,000	246,000
Health Sciences Centre	1,682,000	1,650,000
Hunter Memorial Hospital District #33	670,000	670,000
Lakeshore District Health System Inc.	1,767,000	1,767,000
MacGregor Personal Care Home	33,000	33,000
Manitoba Hospital Capital Financing Authority	2,045,000	2,045,000
Hospitals:		
Misericordia General Hospital	310,000	310,000
Morden Hospital District #21	259,000	259,000
Neepawa Hospital District #9	124,000	124,000
Park Manor Personal Care Home Inc.	84,000	84,000
Pine Falls General Hospital	150,000	150,000
Portage Hospital District #18	225,000	225,000
Red River Valley Health District	274,000	274,000
Roblin Health Centre District	384,000	384,000
Rossburn Personal Care Home Inc.	235,000	235,000
Russell Hospital District #8	160,000	160,000
St. Anthony's General Hospital - The Pas	240,000	240,000
St. Boniface General Hospital	20,000	17,000
Ste. Anne Hospital District No. 26A	1,200,000	1,200,000
Ste. Rose General Hospital	306,000	306,000
Seven Oaks Hospital	1,680,000	1,477,000
Steinbach Hospital District #27	13,000	11,000
Swan River Hospital District #1	160,000	160,000
Thompson General Hospital	795,000	785,000
Tri-Lake Hospital District #15	24,000	24,000
Victoria General Hospital	1,509,000	1,504,000
Victoria-South Norfolk Treherne Hospital District #19	50,000	50,000
Winkler General Hospital	90,000	81,000
Winnipeg General Hospital	23,000	22,000
Winnipegosis General Hospital Inc.	110,000	110,000
Baldur Manor	203,000	203,000
Betel Home Foundation-Selkirk	180,000	180,000
Bethania Mennonite Personal Care Home Inc.	2,008,000	2,008,000
Birtle Health Services District	265,000	265,000
Dauphin Personal Care Home Inc.	230,000	230,000
Ebenezer Home for the Aged	348,000	348,000
Flin Flon Personal Care Home Corporation	575,000	575,000
Gilbert Plains Health Centre Inc.	1,368,000	1,368,000
Goodwin Lodge Inc.	10,000	10,000
Holy Family Nursing Home - Sisters Servants of Mary Immaculate	350,000	350,000

Schedule 1

Schedule of Investments as at October 31, 1990 (continued)

Description of Securities	Par Value	Book Value
Hospitals:		
McCreary/Alonsa Personal Care Home Inc.	50,000	50,000
Manoir De St. Claude	92,000	92,000
Mount Carmel Clinic	1,214,000	1,214,000
North Norfolk MacGregor Medical Nursing Unit District No. 18A	141,000	141,000
Odd Fellows and Rebekahs Personal Care Home Inc.	160,000	160,000
Pinaow Wachi Inc.	45,000	45,000
Riverdale Health Services District	29,000	29,000
Riverdale Personal Care Home	22,000	22,000
Rock Lake Health District	595,000	595,000
Rock Lake Personal Care Home Inc.	145,000	145,000
Rosewood Lodge Inc.	8,000	8,000
Rossburn District Health Centre	435,000	435,000
St. Joseph's Residence	490,000	490,000
Shoal Lake/Strathclair Health Centre	124,000	124,000
Snow Lake Medical Nursing Unit District #40	390,000	390,000
Stonewall and District Health Centre	151,000	151,000
Tabor Senior Citizens Home Inc.	426,000	426,000
Tache Nursing Centre	555,000	555,000
The Pas Health Complex Inc.- St. Paul's Residence	230,000	230,000
The Pas Health Complex Inc.- St. Anthony's General Hospital	325,000	325,000
Third Crossing Manor Inc.	16,000	16,000
Wawanesa and District Health Centre	7,000	7,000
Wawanesa Personal Care Home	170,000	170,000
Winnipegosis-Mossy River Personal Care Home Inc.	232,000	232,000
Whitemouth Medical Nursing Unit District #29A	50,000	50,000
	41,225,000	40,701,000

Description of Securities	Par Value	Book Value
Schools:		
The Agassiz School Division #13	2,632,000	2,632,000
Antler River School Division No. 43	681,000	681,000
Assiniboine South School Division No. 3	5,657,000	5,657,000
Beautiful Plains School Division No. 31	1,019,000	1,019,000
Bird Tail River School Division No. 38	888,000	888,000
Brandon School Division #40	7,121,000	7,121,000
Churchill School District No. 2264	44,000	44,000
Dauphin-Ochre School Area#1	1,573,000	1,573,000
Duck Mountain School Division #34	847,000	847,000
Evergreen School Division No. 22	152,000	152,000
Flin Flon School Division #46	491,000	491,000
Fort Garry School Division No. 5	2,167,000	2,167,000
Fort La Bosse School Division No. 41	2,178,000	2,178,000
Frontier School Division No. 48	1,397,000	1,397,000
Garden Valley School Division No. 26	2,559,000	2,559,000
Hanover School Division #15	3,974,000	3,974,000
Interlake School Division #21	894,000	894,000
Intermountain School Division No. 36	586,000	586,000
Kelsey School Division No. 45	724,000	724,000
Lakeshore School Division No. 23	302,000	302,000
Leaf Rapids School District #2460	212,000	212,000
Lord Selkirk School Division No. 11	2,180,000	2,180,000
Lynn Lake School District #2312	33,000	33,000
Midland School Division No. 25	265,000	265,000
Morris-MacDonald School Division No. 19	779,000	779,000
Mountain School Division No. 28	1,653,000	1,653,000
Mystery Lake School District No. 2355	1,598,000	1,598,000

Schedule of Investments as at October 31, 1990 (continued)

Description of Securities	Par Value	Book Value
Schools:		
Norwood School Division No. 8	488,000	488,000
Pelly Trail School Division No. 37	1,845,000	1,845,000
Pembina Valley School Division No. 27	1,151,000	1,151,000
Pine Creek School Division No. 30	387,000	387,000
Portage La Prairie School Division #24	2,447,000	2,447,000
Red River School Division No. 17	337,000	337,000
Rhineland School Division #18	172,000	172,000
River East School Division #9	6,922,000	6,922,000
Rolling River School Division #39	1,843,000	1,843,000
St. Boniface School Division No. 4	735,000	735,000
St. James-Assiniboine School Division #2	3,105,000	3,105,000
St. Vital School Division #6	9,294,000	9,294,000
Seine River School Division #14	6,469,000	6,469,000
Seven Oaks School Division #10	5,802,000	5,802,000
Souris Valley School Division No. 42	241,000	241,000
South Winnipeg Technical Centre	795,000	795,000
South Winnipeg Vocational Education Centre	925,000	925,000
Swan Valley School Division #35	730,000	730,000
Tiger Hills School Division #29	904,000	904,000
Transcona Springfield School Division #12	7,582,000	7,582,000
Turtle Mountain School Division No. 44	801,000	801,000
Turtle River School Division No. 32	44,000	44,000
Western School Division #47	1,898,000	1,898,000
Winnipeg School Division No. 1	27,962,000	27,962,000
The White Horse Plain School Division #20	678,000	678,000
	126,163,000	126,163,000

Description of Securities	Par Value	Book Value
Municipal:		
City of Brandon	1,350,000	1,337,000
City of Flin Flon	3,034,000	3,034,000
City of Portage La Prairie	3,736,000	3,728,000
City of Winnipeg	39,577,000	37,622,000
Metro Corp. of Greater Winnipeg	231,000	188,000
Town of Altona	341,000	341,000
Town of Birtle	167,000	167,000
Town of Boissevain	14,000	14,000
Town of Carman	534,000	534,000
Town of Carberry	114,000	114,000
Town of Dauphin	607,000	607,000
Town of Deloraine	449,000	449,000
Town of Emerson	372,000	372,000
Town of Gimli	389,000	389,000
Town of Gladstone	126,000	126,000
Town of Grandview	172,000	172,000
Town of Killarney	164,000	164,000
Town of Melita	263,000	263,000
Town of Minnedosa	92,000	92,000
Town of Morden	201,000	201,000
Town of Morris	203,000	203,000
Town of Neepawa	208,000	208,000
Town of Oak Lake	1,000	1,000
Town of Rapid City	94,000	94,000
Town of Rivers	26,000	23,000
Town of Roblin	433,000	433,000
Town of Russell	449,000	449,000
Town of Selkirk	731,000	731,000
Town of Snow Lake	62,000	62,000
Town of Steinbach	599,000	599,000
Town of Stonewall	235,000	235,000
Town of Swan River	308,000	308,000
Town of Virden	462,000	462,000
Town of Winnipeg Beach	29,000	29,000
Village of Arborg	47,000	47,000
Village of Benito	67,000	67,000
Village of Binscarth	64,000	64,000
Village of Crystal City	14,000	14,000
Village of Erickson	15,000	15,000
Village of Ethelbert	7,000	7,000
Village of Gilbert Plains	60,000	60,000
Village of Gretna	90,000	90,000
Village of Hamiota	24,000	24,000
Village of Lac du Bonnet	107,000	107,000
Village of MacGregor	13,000	13,000
Village of Manitou	200,000	200,000

Schedule of Investments as at October 31, 1990 (continued)

Description of Securities	Par Value	Book Value
Municipal:		
Village of Minitonas	34,000	34,000
Village of Niverville	151,000	151,000
Village of Notre Dame De Lourdes	438,000	438,000
Village of Pilot Mound	49,000	49,000
Village of Powerview	122,000	122,000
Village of Riverton	6,000	6,000
Village of Rossburn	83,000	83,000
Village of Shoal Lake	226,000	226,000
Village of Somerset	252,000	252,000
Village of Ste. Anne	117,000	117,000
Village of St. Pierre	23,000	23,000
Village of St. Pierre-Jolys	237,000	237,000
Village of Teulon	22,000	22,000
Village of Treherne	109,000	109,000
Rural Municipality of Argyle	106,000	106,000
Rural Municipality of Brenda	44,000	44,000
Rural Municipality of Brokenhead	218,000	218,000
Rural Municipality of Cartier	5,000	5,000
Rural Municipality of Coldwell	180,000	180,000
Rural Municipality of De Salaberry	10,000	10,000
Rural Municipality of Edward	113,000	113,000
Rural Municipality of Franklin	113,000	113,000
Rural Municipality of Glenella	66,000	66,000
Rural Municipality of Grey	9,000	9,000
Rural Municipality of Hanover	440,000	440,000
Rural Municipality of La Broquerie	441,000	441,000
Municipal:		
Rural Municipality of MacDonald	1,448,000	1,448,000
Rural Municipality of Montcalm	137,000	137,000
Rural Municipality of Morris	472,000	472,000
Rural Municipality of North Norfolk	298,000	298,000
Rural Municipality of Pipestone	10,000	10,000
Rural Municipality of Portage La Prairie	72,000	72,000
Rural Municipality of Ritchot	314,000	314,000
Rural Municipality of Rockwood	77,000	77,000
Rural Municipality of Roland	104,000	104,000
Rural Municipality of Ste. Rose	9,000	9,000
Rural Municipality of Siglunes	132,000	132,000
Rural Municipality of Springfield	15,000	15,000
Rural Municipality of Tache	11,000	11,000
Rural Municipality of Thompson	18,000	18,000
Rural Municipality of Victoria Beach	148,000	148,000
Rural Municipality of Woodlands	249,000	249,000
Local Government District of Consol	457,000	457,000
Local Government District of Fisher	353,000	353,000
Local Government District of Leaf Rapids	1,469,000	1,469,000
	65,888,000	63,866,000
	$487,102,000	$478,588,000

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Research Council as at March 31, 1991 and the statement of revenue and expenditure and funds retained for future operations and the statement of changes in cash resources for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
July 8, 1991

F. H. Jackson, CA
Provincial Auditor

EXHIBIT A

THE MANITOBA RESEARCH COUNCIL

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

ASSETS	1991	1990
Current:		
Cash	$ 7,000	$ 7,000
Funds on deposit with the Minister of Finance:		
Trust accounts	97	177,993
Term deposits	442,065	1,174,514
	442,162	1,352,507
Accounts receivable and accrued revenue:		
Government of the Province of Manitoba	2,191	585
Other, net of allowance for doubtful accounts of $23,974 (1990 - $69,623)	461,839	399,859
	464,030	400,444
Prepaid expenses	49,480	57,966
	962,672	1,817,917
Fixed (Notes 2c and 4)	459,393	387,435
	$1,422,065	$2,205,352

LIABILITIES AND FUNDS RETAINED FOR FUTURE OPERATIONS

	1991	1990
Current:		
Accounts payable and accrued liabilities (Note 3)	$ 665,682	$ 499,211
Current portion of loan payable (Note 6)	17,341	15,755
Advances on contracts	10,121	6,177
	693,144	521,143
Loan payable (Note 6)	23,488	40,829
	716,632	561,972
Funds retained for future operations, Exhibit B	705,433	1,643,380
	$1,422,065	$2,205,352

THE MANITOBA RESEARCH COUNCIL **EXHIBIT B**

Statement of Revenue and Expenditure and Funds Retained for Future Operations for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Revenue:		
Grants from the Government of the Province of Manitoba	$2,714,700	$2,711,400
Contracts	2,079,599	2,836,748
Interest	117,551	152,251
Gain on sale of building	-	57,000
Sundry revenue	17,741	5,649
Total revenue	4,929,591	5,763,048
Expenditure, Schedule 1	5,867,538	5,583,784
Excess of expenditure (over) under revenue	(937,947)	179,264
Funds retained for future operations, beginning of year, as previously stated	1,883,538	1,710,108
Adjustment to reflect change in accounting policy (Note 3)	(240,158)	(245,992)
Funds retained for future operations, beginning of year, as restated	1,643,380	1,464,116
Funds retained for future operations, end of year	$ 705,433	$1,643,380

EXHIBIT C

THE MANITOBA RESEARCH COUNCIL

Statement of Changes in Cash Resources
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Operating activities:		
Excess of expenditure (over) under revenue	$ (937,947)	$ 179,264
Items not involving cash:		
Depreciation	106,395	45,635
Write-off of obsolete software	27,896	-
Gain on sale of fixed assets	(985)	(54,414)
Net change in non-cash working capital balances:		
Accounts receivable	(63,585)	(13,331)
Prepaid expenses	8,486	(24,603)
Accounts payable	170,416	(89,355)
	(689,324)	43,196
Financing activities:		
Loan repayment	(15,756)	(13,319)
Investing activities:		
Fixed asset additions	(207,415)	(173,221)
Proceeds from disposal of fixed assets	2,150	138,057
	(205,265)	(35,164)
Decrease in cash and funds on deposit	(910,345)	(5,287)
Cash and funds on deposit, beginning of year	1,359,507	1,364,794
Cash and funds on deposit, end of year	$ 449,162	$1,359,507

Schedule of Expenditure
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Expenditure (Note 5):		
Advertising and promotion	$ 165,708	$ 229,666
Bad debts	23,974	61,237
Building maintenance and repair	94,201	61,278
Computer related expenses	165,015	142,661
Depreciation	106,395	45,635
Equipment - rentals, maintenance and repair	51,520	81,034
Fees - memberships, seminars, customs and audit	139,578	111,449
Heating and utilities	97,599	99,615
Interest on loan	6,164	8,646
Laboratory supplies	200,798	261,755
Library - consultants and publications	53,184	59,216
Miscellaneous	1,497	15,298
Postage, delivery and telephone	135,811	138,049
Printing and stationery supplies	56,662	107,653
Purchased testing services	64,047	43,098
Real estate rental and property taxes	264,135	250,338
Salaries and employee benefits	4,025,617	3,713,885
Staff transfer and relocation costs	46,197	275
Travel and transportation	169,436	152,996
Total expenditure, Exhibit B	$5,867,538	$5,583,784

THE MANITOBA RESEARCH COUNCIL

Notes to Financial Statements for the year ended March 31, 1991

1. Nature of Operations

The Manitoba Research Council was established in 1963 with the following objectives:

a) to promote and carry on research and scientific enquiries respecting agriculture, natural resources, industry or other segments of the economy of the province; and

b) to secure for Manitoba the benefits of research and scientific enquiries carried on elsewhere.

The Manitoba Research Council operates two laboratory facilities, one in Winnipeg and the other in Portage la Prairie.

2. Significant Accounting Policies

a) These financial statements are prepared on the accrual basis of accounting.

b) Revenue from the majority of contract work is recognized on the percentage-of-completion method which recognizes revenue as a contract progresses. Unbilled revenues are accrued to the year end for these contracts, while pre-billed revenues received are classified as deferred revenue.

Revenue from analytical lab work, involving shorter term contracts without substantial outlays of direct costs, is recognized on a completed contract basis.

c) Fixed assets are recorded at cost, less applied grant funds and accumulated depreciation. Depreciation is calculated on a straight-line basis at the following rates:

Automobiles	20%
Computer equipment	20%
Equipment	10%
Furniture and fixtures	10%
Computer software over $10,000	33 1/3%

In the current year an exception to the policy occurred when certain accounting software became inoperable and was written off in the amount of $27,896. The related hardware was thus rendered obsolete and was fully depreciated by an additional charge to depreciation of $31,430.

d) Certain general and administrative services and facilities are provided by the Province of Manitoba at no cost to the Council. These costs are not reflected in the financial statements. (Note 5)

3. Change in Accounting Policy

During the year the Manitoba Research Council adopted, on a retroactive basis, a change to the accrual basis of accounting for employee vacation and overtime. The Council previously accounted for employee vacation and overtime on a cash basis. This retroactive change in accounting policy resulted in an increase in accounts payable and accrued liabilities of $250,819 and $240,158 at March 31, 1991 and 1990 respectively, a decrease in the Funds Retained for Future Operations at March 31, 1989 of $245,992, an increase in salaries expense for the year ending March 31, 1991 of $10,661 and a decrease in salaries expense for the year ending March 31, 1990 of $5,834.

4. Fixed Assets

a) Fixed assets owned by the Manitoba Research Council may be summarized as follows:

	Cost	Funded by Government of Canada	Accumulated Depreciation and Assets Charged to Operations	Book Value
Automobiles	$ 20,000	$ 20,000	$ -	$ -
Computer Equipment	1,498,767	552,053	839,444	107,270
Equipment	4,423,241	1,825,149	2,255,156	342,936
Furniture and Fixtures	105,438	53,516	42,735	9,187
	$6,047,446	$2,450,718	$3,137,335	$459,393

b) Reserve for Commencement of Depreciation Policy

Effective April 1, 1988, the Council changed its accounting policy for the recording of fixed assets. Previously fixed assets acquired were charged to operating expenditures in the year of acquisition. The new policy was to capitalize fixed asset acquisitions and depreciate them over the estimated useful life of the asset in a manner consistent with generally accepted accounting principles.

The change in accounting policy was initiated by determining the amount of depreciation that would have been charged in prior periods under the new policy and reflecting $1,708,176 as the undepreciated value of fixed assets at April 1, 1988 in the accounts. This amount was also shown as an adjustment of the opening balance of Funds Retained for Future Operations as of April 1, 1988 on Exhibit B. Prior period figures were not restated to reflect this change in accounting policy.

The Board of Directors, effective March 31, 1991, approved the cancellation of the Reserve for Commencement of Depreciation Policy by decreasing the depreciation charge for the year by $242,585, by increasing the accumulated depreciation account (computer equipment $23,659, equipment $678,140, furniture and fixtures $8,994) for fixed assets by $716,793 and by writing off the March 31, 1990 balance of the Reserve for Commencement of Depreciation Policy of $953,378.

5. Administrative Expenditure

The Government of the Province of Manitoba incurs certain expenditures on behalf of the Council, including annual rent for the Council's laboratory and related land located in Portage la Prairie. For 1991, rental expenditure incurred by the Province was $74,400, (1990 - $105,100). (The 1990 figures are composed of the following: rental for the Portage la Prairie property - $74,400; rental of Bay 11 at 1329 Niakwa Road - $26,600; estimated administrative expenses $4,100.)

6. Loan Payable

The 10 year loan payable to Winpark Realty Inc. for leasehold improvements maturing May 1, 1993, bears interest at 14.25% and is repayable in blended monthly instalments of $1,827. Principal repayments to maturity are as follows:

1992	$ 17,341
1993	19,900
1994	3,588
	40,829
Less: Current portion	17,341
	$ 23,488

If the Council fails at any time prior to May 1, 1993 to be the tenant or subtenant of the premises, the unpaid principal and accrued interest shall become due and payable immediately.

7. Pension Plan

In accordance with provisions of The Civil Service Superannuation Act, employees of the Council are required to contribute to The Civil Service Superannuation Fund at prescribed rates for defined benefits. The Council is required to make contributions equal to the amount contributed to the Fund by employees. For 1991 the amount contributed by the Council was $176,302 (1990 - $169,175). Under this Act, the Council has no further pension liability.

8. Comparative Figures

Comparative figures for the year ended March 31, 1990 have been restated to conform with the presentation adopted for the current year.

Auditors' Report

To the Board of Commissioners,
The Manitoba Telephone System

We have examined the balance sheet of The Manitoba Telephone System as at December 31, 1990 and the statements of operations and reinvested earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Deloitte & Touche

Chartered Accountants
Winnipeg, Manitoba
March 14, 1991

BALANCE SHEET

Assets	December 31 1990	 1989
	(in Thousands of Dollars)	
TELECOMMUNICATIONS PROPERTY		
Buildings, plant and equipment	$ 1,610,967	$ 1,533,625
Less accumulated depreciation	762,479	743,809
	848,488	789,816
Land	6,088	6,509
Plant under construction	44,406	34,269
Materials and supplies, at cost (Note 2(a))	25,566	18,961
	924,548	849,555
INVESTMENTS (Note 3)	3,117	1,561
INVESTMENTS HELD FOR PENSION OBLIGATIONS (Note 8(b))	175,179	137,724
CURRENT ASSETS		
Short-term investments	26,393	32,000
Accounts receivable	69,963	59,527
Prepayments	7,897	8,476
	104,253	100,003
DEFERRED CHARGES		
Unrealized foreign currency losses, net of amortization	1,236	129
Unamortized long-term debt costs	1,687	2,676
Preliminary engineering and miscellaneous	5,586	3,471
	8,509	6,276
	$ 1,215,606	$ 1,095,119

APPROVED ON BEHALF OF THE BOARD

Chairman

Commissioner

Liabilities and Reinvested Earnings	December 31 1990	 1989
	(in Thousands of Dollars)	
LONG-TERM DEBT (Note 9)	$ 806,246	$ 771,197
Less sinking fund investments	79,558	75,075
	726,688	696,122
DEFERRED EMPLOYEE BENEFITS (Note 4)	196,321	156,593
CURRENT LIABILITIES		
Outstanding cheques less cash in bank	30,642	33,495
Note payable	5,000	5,000
Accounts payable and accrued liabilities	62,917	51,726
Advance billings and payments	6,161	5,401
Accrued interest	25,422	23,783
	130,142	119,405
TOTAL LIABILITIES	1,053,151	972,120
REINVESTED EARNINGS	162,455	122,999
	$ 1,215,606	$ 1,095,119

STATEMENT OF OPERATIONS AND REINVESTED EARNINGS

	Year Ended December 31 1990	 1989
	(in Thousands of Dollars)	
OPERATING REVENUES		
Long distance service	$ 301,809	$ 294,453
Local service	190,899	181,534
Miscellaneous	49,000	40,577
	541,708	516,564
OPERATING EXPENSES		
Operations	307,235	281,134
Depreciation	127,994	135,181
Operating taxes (Note 5)	13,756	12,489
	448,985	428,804
NET EARNINGS FROM OPERATIONS	92,723	87,760
OTHER REVENUES (Note 6)	29,865	22,702
NET EARNINGS BEFORE DEBT CHARGES	122,588	110,462
DEBT CHARGES (Note 7)	83,132	74,818
NET EARNINGS FOR THE YEAR	39,456	35,644
REINVESTED EARNINGS, AT BEGINNING OF YEAR	122,999	87,355
REINVESTED EARNINGS, AT END OF YEAR	$ 162,455	$ 122,999

STATEMENT OF CHANGES IN FINANCIAL POSITION

THE MANITOBA TELEPHONE SYSTEM

	Year Ended December 31	
	1990	1989
	(in Thousands of Dollars)	
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
From operations		
Net earnings for the year	$ 39,456	$ 35,644
Cash provided by (used for) changes in working capital	3,734	(3,937)
Add: Depreciation and other items not requiring cash (net)	158,101	170,508
Payments toward deferred employee benefits	(1,229)	(1,143)
Total cash provided by operating activities	200,062	201,072
CASH PROVIDED BY (USED FOR) FINANCIAL ACTIVITIES		
Issuance of long-term debt	217,333	—
Repayment of long-term debt	(183,796)	(118)
Sinking fund withdrawals	6,463	35
Contribution to sinking fund	(10,517)	(10,115)
Total cash provided by (used for) financial activities	29,483	(10,198)
CASH USED FOR INVESTMENT ACTIVITIES		
Construction program expenditures (net)	(193,278)	(164,517)
Increase in investments held for pension obligations	(37,455)	(37,422)
Increase in investments	(1,566)	(562)
Total cash used for investment activities	(232,299)	(202,501)
DECREASE IN CASH	(2,754)	(11,627)
CASH, AT BEGINNING OF YEAR	(1,495)	10,132
CASH, AT END OF YEAR	$ (4,249)	$ (1,495)

Cash represents cash and short-term investments net of outstanding cheques.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1990

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General

The Manitoba Telephone System is incorporated by virtue of the provisions of The Manitoba Telephone Act, as a Crown Corporation of The Province of Manitoba.

The Manitoba Telephone System follows accounting practices similar to those used by other companies in the telecommunications industry.

b) Telecommunications property

Telecommunications property is recorded at original cost including materials, direct labour and overhead costs. In addition, telecommunications property includes the cost of funds used to finance the construction.

c) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of telecommunications property by applying rates which are based on a continuing program of engineering studies.

When depreciable telephone property is retired, the original cost of such property, adjusted by any disposal proceeds and costs of removal, is charged to accumulated depreciation.

d) Translation of foreign currencies

Foreign currencies have been translated into Canadian funds at rates of exchange on the following basis:

i) long-term debt at effective rates prevailing at year-end;
ii) accrued interest at rates prevailing at year-end;
iii) debt charges at rates prevailing at the date of each transaction.

The unrealized gains and losses on long-term debt resulting from the policy of using rates prevailing at year-end is being amortized over the remaining term of the debt on a straight-line basis.

e) Amortization of bond premiums and discounts in sinking fund investments

Bond premiums and discounts arising from the purchase of bonds at other than face value are amortized over the remaining life of the bond.

f) Amortization of long-term debt costs

Costs associated with the issuance of long-term debt are being deferred and amortized over the term of the original issue.

g) Leases

For leases which qualify as sales-type leases, the sales revenue is recognized at the effective date of the lease. Finance income related to sales-type leases is recognized so as to produce a constant rate of return on the residual investment in leases. Revenue from operating leases is accounted for at the time the services are provided to customers.

2. CHANGE IN ACCOUNTING POLICIES

a) Station equipment

Effective October 31, 1990, The Manitoba Telephone System changed its method of accounting for station equipment from capitalization of purchases directly to capital asset accounts to recording all purchases to an inventory account. This change was made to remain consistent with recent changes made by other telephone companies.

The accounting change was applied on a prospective basis and resulted in a reduction of depreciation expense of approximately $200,000 and a transfer of assets from buildings, plant and equipment to materials and supplies in the amount of $7,636,000.

b) Interest during construction

Effective January 1, 1990, The Manitoba Telephone System changed its method of accounting for capitalization of interest on construction projects from capitalizing interest only on projects that exceeded twelve months to capitalizing interest on all capital projects. This change was made to remain consistent with other telephone companies.

2. CHANGE IN ACCOUNTING POLICIES (continued)

The accounting change was applied on a propective basis and resulted in an increase in other revenues (interest charged to construction) of approximately $4,800,000 and additional depreciation expense of approximately $200,000.

3. INVESTMENTS

	1990	1989
	(in Thousands of Dollars)	
Long-term disability fund, at cost	$ 2,118	$ 562
Telesat Canada 99,900 common shares, at cost	999	999
	$ 3,117	$ 1,561

4. DEFERRED EMPLOYEE BENEFITS

Obligation for pensions, vested sick leave and long-term disability have been recorded on the balance sheet as follows:

	1990	1989
	(in Thousands of Dollars)	
Pensions (Note 8)	$ 175,179	$ 137,724
Vested sick leave	18,985	18,171
Long-term disability .	2,157	698
	$ 196,321	$ 156,593

5. OPERATING TAXES

Operating taxes represent grants to municipalities in lieu of property taxes, The Manitoba Telephone System's portion of Canada Pension Plan and Unemployment Insurance, the Health and Education Levy, Federal Telecommunications Service Tax and general levies.

6. OTHER REVENUES

	1990	1989
	(in Thousands of Dollars)	
Investment income . .	$ 20,018	$ 18,312
Surcharge on overdue accounts	2,711	2,465
Interest charged to construction (Note 2(b))	5,249	610
Miscellaneous, net . . .	1,887	1,315
	$ 29,865	$ 22,702

7. DEBT CHARGES

	1990	1989
	(in Thousands of Dollars)	
Interest on long-term debt	$ 79,602	$ 73,407
Amortization (recovery) of unrealized foreign currency loss	709	(655)
Amortization of long-term debt costs	989	1,040
Other interest expense and debt charges . .	1,832	1,026
	$ 83,132	$ 74,818

8. PENSIONS

a) Pension plan

Employees of The Manitoba Telephone System are pensionable under the Civil Service Superannuation Fund (the Fund) and make contributions to the Fund at prescribed rates. The Fund maintains a defined benefit final average pension plan which covers substantially all of The Manitoba Telephone System's employees. The plan provides pensions based on length of service and final average earnings.

b) Investments held for pension obligations

Investments held for pension obligations are recorded at cost. The market value of investments at December 31, 1990 totalled $169,612,000 (December 31, 1989 – $143,061,000). The investments are administered by external investment managers.

c) Pension liability

Based on a formula contained in an actuarial report prepared as of December 31, 1989, The Manitoba Telephone System had a liability for pension obligations as at December 31, 1990 of approximately $283,000,000 (December 31, 1989 – $260,000,000). This liability is based on the assumption that future pensions will be increased due to increases in the cost of living.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1990

9. LONG-TERM DEBT

a) Advances, note and bonds payable

	1990	1989
	(in Thousands of Dollars)	
Province of Manitoba advances		
Series BG, 9.375%, due August 2, 1990	$ –	$ 100,000
Series 11E, 14.75%, due July 1, 1991 ($40.0 million U.S.)	47,600	46,311
Series 11J, 15.25%, due March 31, 1992	40,000	40,000
Series AN, 11.5%, due May 15, 1995	50,000	50,000
Advance UFA1, 11%, due November 5, 1995	55,000	55,000
Series AX, 7.87%, due May 20, 1996	64,092	64,092
Advance UFA2, 9.52%, due September 26, 1996	65,600	65,600
Series BC, 8.75%, due February 5, 1997	3,704	87,500
Series 10T, 9.75%, due May 15, 1998	12,090	12,090
Series 11A, 10.25%, due August 1, 1999	5,000	5,000
Series 9X, 10%, due December 5, 1999	10,000	10,000
Advance UFA3, 10.75%, due February 5, 1997	80,455	–
Advance UFA4, 11.5%, due June 29, 2000	20,000	–
Advance UFA5, 11.125%, due August 7, 2000	96,878	–
Advance UFA6, 11.50%, due September 28, 1997	20,000	–
	570,419	535,593
Note payable		
Province of Manitoba note, 11.40%, due June 28, 1991 (1989 – 12.05% due February 16, 1990)	22,000	22,000
The Manitoba Telephone System bonds payable Fully guaranteed by the Province of Manitoba		
*Series 1E, 5%, due January 15, 1991 ($14.5 million U.S.)	17,011	16,788
Series 1N, 7.875%, due November 15, 1991	20,000	20,000
Series 1F, 6.25%, due December 1, 1991	20,000	20,000
Series 1V, 8.65%, due December 31, 1991	59,816	59,816
Series 1G, 7%, due February 15, 1993	20,000	20,000
Series 1P, 7.875%, due March 15, 1993	10,000	10,000
Series 1T, 10%, due July 2, 1995	10,000	10,000
Series 1U, 10.5%, due May 1, 1996	20,000	20,000
Series 1S, 8.75%, due March 1, 1999	37,000	37,000
	213,827	213,604
	$ 806,246	$ 771,197

*Refinanced subsequent to year-end in the amount of $8,779,900, due January 16, 1998 at a rate of 11.25%.

9. LONG TERM DEBT (continued)

b) Sinking fund

Under the requirements of The Manitoba Telephone Act, The Manitoba Telephone System is required to pay a contribution to the Minister of Finance of the Province of Manitoba, as trustee for the sinking fund. The sinking fund contribution for the year ending December 31, 1990 was $10,517,000 (December 31, 1989 – $10,115,000). The market value of the investments held in the fund at December 31, 1990 is $77,780,000 (December 31, 1989 – $74,803,000).

The following payments will be required to meet sinking fund conditions and debt retirements:

Year ending	Sinking Fund Payment	Debt Maturities
	(in Thousands of Dollars)	
1991	$ 11,015	$ 185,358
1992	8,246	40,000
1993	7,966	30,000
1994	7,510	–
1995	7,810	115,000

c) Refinancing

It is the intention of The Manitoba Telephone System to refinance its maturing long-term debt, and accordingly all such debt is presented as a long-term obligation.

10. LEASE COMMITMENTS

The Manitoba Telephone System rents buildings and construction and other equipment under operating leases. The aggregate annual rental of the commitments under the leases, which expire at varying dates to December 31, 1995, are:

1991	$5,090,283
1992	3,185,866
1993	2,505,227
1994	1,160,448
1995	485,217

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Trading Corporation as at March 31, 1991 and the statement of revenues and expenditures for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
September 30, 1991

F.H. Jackson, CA
Provincial Auditor

THE MANITOBA TRADING CORPORATION

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Cash on deposit with Minister of Finance	$ 471,597	$ 497,920
Accounts receivable - Trade	40,211	33,685
- Goods and Service Tax	1,442	-
	$ 513,250	$ 531,605
LIABILITIES		
Accounts payable	$ 6,267	$ 25,317
Non-interest bearing advances from the Government of the Province of Manitoba for working capital	500,000	500,000
	506,267	525,317
Funds available for future operations:		
Balance at beginning of year	6,288	5,615
Revenues over expenditures	695	673
Balance at end of year	6,983	6,288
	$ 513,250	$ 531,605

THE MANITOBA TRADING CORPORATION

Statement of Revenues and Expenditures for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
REVENUES:		
Participation Fees		
Salon International de la Machine Agricole	$ 69,615	$ 42,027
Selkhoztekhnika Show	9,000	-
Manitoba Export Advantage Seminar	2,680	-
Business Opportunities in Japan Seminar	958	-
Agritechnica	-	12,036
Show and Seminar Cost Sharing Assistance		
Department of Industry, Trade and Tourism	36,509	27,348
Department of Industry, Science and Technology	2,658	-
	121,420	81,411
EXPENDITURES:		
Display and Rental Expenses		
Salon International de la Machine Agricole	89,437	49,527
Selkhozteknika Show	21,227	-
Manitoba Export Advantage Seminar	4,431	-
Business Opportunities in Japan Seminar	5,630	-
Agritechnica	-	31,211
	120,725	80,738
EXCESS OF REVENUES OVER EXPENDITURES	$ 695	$ 673

THE MANITOBA TRADING CORPORATION

Notes to Financial Statements
as at March 31, 1991

1. Status and Nature of the Corporation

The Manitoba Trading Corporation was formed by an Act of Legislation in 1974. The mandates of the Corporation are to encourage, develop and increase Manitoba exports and trade; and to provide short-term financing to Manitoba Corporations engaging in export transactions.

Since 1982, the Corporation has been operating in a reduced capacity. For the past several years, the Corporation has only been used to assist Manitoba Corporations participating in International trade shows.

2. Significant Accounting Policies

a) The financial statements have been prepared in accordance with generally accepted accounting principles, except for item 2c.

b) Participation fees represent the amount received or receivable from the participants at the shows and seminars sponsored by the Corporation.

c) Administrative expenditures are funded from an appropriation of the Department of Industry, Trade and Tourism. The value of these has not been estimated and is not reflected in the financial statements.

3. Restatement of Accounts

Comparative figures for the year ended March 31, 1990 have been restated where necessary to conform with the presentation adopted for the year ended March 31, 1991.

BDO
GUENETTE CHAPUT

Comptables Agréés
Chartered Accountants

262 Marion
Winnipeg, Manitoba R2H 0T7
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Auditors' Report

To the Board
THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD
Winnipeg, Manitoba

We have examined the balance sheet of **THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD** as at June 30, 1990 and the statements of operations, pool transactions and cash flow for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board as at June 30, 1990 and the results of its operations and cash flow for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Guenette Chaput

Winnipeg, Manitoba
September 27, 1990

Chartered Accountants

Statement "1"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Balance Sheet

As At June 30, 1990

	1990	1989
ASSETS		
Current Assets		
Cash	$ 128	180
Accounts receivable (Note "2")	897,079	743,763
Inventories	168,752	210,047
Prepaid expenses	46,919	56,171
	1,112,878	1,010,161
Long-Term Investments		
Shares - Peak of the Market Sales Ltd.	30	30
Fixed Assets		
Land and building	681,868	681,868
Paving	106,565	106,565
Equipment and vehicles	1,104,113	1,079,406
	1,892,546	1,867,839
Deduct: Accumulated depreciation	(1,269,720)	(1,166,158)
	622,826	701,681
	$1,735,734	1,711,872
LIABILITIES AND CAPITAL SURPLUS		
Current Liabilities		
Bank indebtedness (Note "3")	$ 237,503	209,955
Accounts payable - producers	777,541	625,548
- other	169,408	319,241
Funds held for promotion and research, (Schedule "A")	80,031	80,930
Funds held for freight equalization, (Schedule "A")	16,594	-
Other trust accounts (Note "4")	-	3,860
	1,281,077	1,239,534
Other Liabilities		
Operations account (Statement "2")	169,471	187,152
Total Liabilities	1,450,548	1,426,686
Capital Surplus		
Financial assistance provided by the Governments of Canada and Manitoba, not repayable	206,438	206,438
Valuation of land and building	78,748	78,748
	285,186	285,186
	$1,735,734	1,711,872

Statement "2"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Statement of Operations

Year Ended June 30, 1990

	1990	1989
Revenues		
Board's assessments against pools, (Statement "3")	$ 553,413	557,059
Prepack and processing operations		
Prepack sales	8,797,268	9,806,795
Washing and grading	94,697	90,174
Custom work	25,949	32,525
	8,917,914	9,929,494
Deduct: Operating costs	(8,523,321)	(9,452,391)
	394,593	477,103
Other		
Rental revenue	82,755	61,838
Cartage and storage	6,674	3,928
Sundry revenue	7,684	19,968
	97,113	85,734
Total revenue	1,045,119	1,119,896
Operating expenditures (Schedule "B")	1,077,551	1,175,822
Operating deficit	(32,432)	(55,926)
Recaptured depreciation on assets sold	14,751	-
Decrease in operations account	(17,681)	(55,926)
Operations account, beginning of year	187,152	243,078
Operations account, end of year	$ 169,471	187,152

Statement "3"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Statement of Pool Transactions

Year Ended June 30, 1990

	1990	1989
Revenue from vegetables sold through pools	$14,395,303	15,651,143
Pool Charges		
Direct charges		
Brokerage	62,038	72,767
Freight subsidies	29,174	33,267
Inspection	2,346	8,564
Prepack discount	45,544	4,640
Seed delivery	1,221	3,714
Selling and promotion allowances	9,245	6,730
	149,568	129,682
Funds allocated for (Schedule "A")		
Promotion and research - all crops	51,353	50,653
Freight equalization - potatoes	65,965	84,749
	117,318	135,402
Board's assessments (Statement "2")	553,413	557,059
Total pool charges	820,299	822,143
Distributed to producers	$13,575,004	14,829,000

Statement "4"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Statement of Cash Flow

Year Ended June 30, 1990

	1990	1989
Cash provided by (used for):		
Operating Activities		
Net decrease in operations account	$ (17,681)	(55,926)
Add non-cash items		
Depreciation	82,249	84,708
Paving costs amortization	21,313	21,313
Gain on sale of fixed assets	(14,751)	-
	71,130	50,095
Net change in non-cash working capital	(88,774)	426,660
	(17,644)	476,755
Investing Activities		
Purchase of fixed assets	(24,707)	(28,954)
Proceeds from disposal of fixed assets	14,751	-
	(9,956)	(28,954)
Change in cash position	(27,600)	447,801
Cash position, beginning of year	(209,775)	(657,576)
Cash position, end of year	$ (237,375)	(209,775)
Represented by (Statement "1"):		
Cash	$ 128	180
Bank indebtedness	(237,503)	(209,955)
	$ (237,375)	(209,775)

Statement "5"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Notes to Financial Statements

As At June 30, 1990

Note "1" Significant Accounting Policies

The financial statements have been prepared in accordance with generally accepted accounting principles and reflect the following policies:

(a) Investment in Peak of the Market Sales Ltd.

The Board reflects its investment in Peak of the Market Sales Ltd., a wholly owned subsidiary, at cost. The subsidiary operates on a break-even basis and acquires all of its products from the Board at regular Board prices, for resale at the same prices and all operating costs are absorbed by the Board. Total sales to the subsidiary (1990 - $4,498,311; 1989 - $4,216,654) have not been segregated in these financial statements. The amount reflected as accounts receivable from Peak of the Market Sales Ltd. represents the amount due to the subsidiary from its customers as at the year end date. (Note "2")

(b) Inventories

The inventories are valued at the lower of cost using the first-in first-out method and net realizable value.

(c) Fixed Assets

Land and building have been recorded at the book value transferred from the preceding entity. Equipment and automobiles are stated at cost. Paving depreciation is allocated to repairs and maintenance expense on Schedule "B". The depreciation policy is to write-off the assets on a straight-line basis over their estimated useful life as follows:

Building	40 years
Equipment	10 years
Vehicles	5 years
Paving	5 years

(d) Operations Account

The Board policy is to operate on a breakeven basis, recovering its estimated costs by assessing handling charges against the pools handled on behalf of the participating producers. The prepack operation and other processing services are offered in order to enhance the overall pooling process. The mark-up applied to the prepack operation and rates charged for other processing services are also based on the estimated costs of providing the related services. Any variance between the estimated costs recovered from the aforementioned sources and actual costs of Board operations is accumulated in the operations accounts. The balance of this account represents funds held for producers which have not been allocated and are used for working capital purposes.

Statement "5"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Notes to Financial Statements

As At June 30, 1990

Note "2" Accounts Receivable

The accounts receivable are comprised of the following:

	1990	1989
Trade	$597,035	524,435
Subsidiary - Peak of the Market Sales Ltd.	297,079	182,474
Producers	363	36,595
Other	2,602	259
	$897,079	743,763

Note "3" Bank Indebtedness

The bank indebtedness is comprised of the following:

	1990	1989
Outstanding cheques	$141,231	400,310
Operating (balance) overdraft, interest at prime, secured by general assignment of accounts receivable and guarantee by Peak of the Market Sales Ltd. to $500,000	96,272	(218,863)
Crop storage overdraft, interest payable at prime - ½% and balance guaranteed by the government of Canada	-	28,508
	$237,503	209,955

Note "4" Other Trust Accounts

The transactions pertaining to the other trust accounts are as follows:

	Cultivar Research Project	
	1990	1989
Balance, beginning of year	$ 3,860	29,246
Contributions from participants	-	4,011
Interest received	-	438
	3,860	33,695
Disbursements	(3,860)	(29,835)
Balance, end of year	$ -	3,860

Schedule "A"

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Schedule of Pools Funds Held

Year Ended June 30, 1990

	1990	1989
Promotion and Research - All Crops		
Balance, beginning of year	$ 80,930	67,288
Add: Funds allocated from pools (Statement "3")	51,353	50,653
Amount provided from direct priced sales	3,425	863
Grants and commissions	3,531	3,452
	139,239	122,256
Deduct: Promotional charges	(59,208)	(41,326)
Balance, end of year (Statement "1")	$ 80,031	80,930
Freight Equalization - Potatoes		
Balance, beginning of year	$ -	(953)
Add: Funds allocated from pools (Statement "3")	65,965	84,749
Overquota charges	2,346	8,609
Amount charged to producers Re: Deficit balance	-	21,087
	68,311	113,492
Deduct: Freight allowances	51,717	(113,492)
Balance, end of year (Statement "1")	$ 16,594	-

THE MANITOBA VEGETABLE PRODUCERS' MARKETING BOARD

Schedule of Operating Expenditures

Year Ended June 30, 1990

	1990	1989
Audit and legal	$ 15,781	27,819
Bad debts	11,280	38,990
Bank service charge	3,635	3,300
Cafeteria operations, net	-	8,384
Claims and allowance	3,257	1,540
Computerization	22,299	15,235
Depreciation	82,249	84,708
Directors' fees	18,718	20,851
Directors' expenses	7,379	8,880
Equipment rental	2,503	2,677
Fuel, water, light and power	71,459	62,619
Health and post secondary education tax levy	13,327	20,175
Insurance	24,779	25,071
Interest	18,488	30,534
Maintenance and repairs	95,912	95,974
Miscellaneous	22,958	20,114
Office supplies and postage	19,457	31,353
Pension and employee insurance	98,278	99,521
Property and business taxes	73,461	76,819
Public relations, promotion and travel	27,798	35,571
Salaries and wages	398,761	414,820
Telephone and telex	33,536	26,023
Vehicles	12,236	24,844
	$1,077,551	1,175,822

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Manitoba Water Services Board as at March 31, 1991 and the statements of operating revenues and expenditures, accumulated excess of operating revenues over expenditures, and changes in cash position for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 1991 and the results of its operations and the changes in its cash position for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements.

Winnipeg, Manitoba
December 12, 1991

F.H. Jackson, CA
Provincial Auditor

THE MANITOBA WATER SERVICES BOARD

Balance Sheet
as at March 31, 1991

ASSETS

	1991	1990
Current assets:		
Cash on deposit with the Minister of Finance Exhibit D	$ 1,604,636	$ 1,799,266
Accounts receivable	3,549,890	3,451,170
Grants receivable from the Government of the Province of Manitoba - subsidization of construction costs	472,729	53,882
Accrued interest	481,230	548,145
Prepaid expenses	26,705	92,512
	6,135,190	5,944,975
Debentures receivable from municipalities, Schedule 1 (Note 3)	10,108,285	10,828,449
Construction in progress recoverable from municipalities and the Government of the Province of Manitoba (Note 2)	2,480,721	1,294,890
Fixed assets, at cost (Notes 1(c) and 4)		
Land and easements	89,316	89,316
Buildings and equipment	5,528,354	5,602,817
	5,617,670	5,692,133
Less accumulated depreciation	3,630,212	3,569,784
	1,987,458	2,122,349
	$ 20,711,654	$ 20,190,663

Exhibit A

LIABILITIES

	1991	1990
Current liabilities:		
Accounts payable and accrued charges	$ 2,323,432	$ 1,702,306
Capital debt, Schedule 2: (Note 3)		
Advances from the Government of the Province of Manitoba	15,659,213	15,988,415
Debentures - Canada Mortgage and Housing Corporation	1,757,828	1,938,877
	17,417,041	17,927,292
Accumulated excess of operating revenues over expenditures Exhibit C, (Notes 1(b) and 5)	871,181	461,065
Interest adjustment fund account (Note 6)	100,000	100,000
	$ 20,711,654	$ 20,190,663

Exhibit B

THE MANITOBA WATER SERVICES BOARD

Statement of Operating Revenues and Expenditures for the year ended March 31, 1991

	1991	1990
Revenues:		
Sale of water	$ 2,548,309	$ 2,522,376
Administrative expenses paid by the Government of the Province of Manitoba, Schedule 3	1,869,211	1,842,819
Interest:		
Municipalities	1,332,804	1,572,512
Cash on deposit	78,085	31,402
Grant from the Government of the Province of Manitoba - subsidization of water rates (Note 5)	40,102	62,371
	5,868,511	6,031,480
Expenditures:		
Administrative expenses, Schedule 3	1,869,211	1,842,819
Interest:		
Advances	1,654,290	1,859,935
Bonds and debentures	184,721	239,494
Audit and other fees	13,331	13,194
Chemicals	457,044	424,147
Depreciation (Note 1(c))	158,161	161,672
Salaries and benefits	852,480	648,569
Heat, telephone, light and power	287,647	285,968
Repairs and maintenance	255,669	209,302
Water purchased for resale	172,523	173,165
	5,905,077	5,858,265
Interest applied to construction	(446,682)	(496,132)
	5,458,395	5,362,133
Excess of operating revenues over expenditures, Exhibit C	$ 410,116	$ 669,347

Exhibit C

THE MANITOBA WATER SERVICES BOARD

Statement of Accumulated Excess of Operating Revenues over Expenditures for the year ended March 31, 1991

	1991	1990
Balance, beginning of year	$ 461,065	$ (54,924)
Add: Excess of operating revenues over expenditures, Exhibit B	410,116	669,347
Deduct: Refund of operating revenues over expenditures	-	153,358
Balance, end of year, Exhibit A	$ 871,181	$ 461,065

Exhibit D

THE MANITOBA WATER SERVICES BOARD

Statement of Changes in Cash Position for the year ended March 31, 1991

	1991	1990
Cash provided by (used for):		
Operating activities:		
Excess of operating revenues over expenditures, Exhibit B	$ 410,116	$ 669,347
Refund of excess operating revenues over expenditures	-	(153,358)
Item not involving cash - depreciation	158,161	161,672
	568,277	677,661
Net change in non-cash working capital balances	655,128	(2,730,336)
	1,223,405	(2,052,675)
Financing activities:		
Construction of facilities for municipalities	(11,342,902)	(11,192,804)
The Government of the Province of Manitoba:		
Grants - subsidization of construction costs	3,664,364	4,285,605
Advances - net	(329,202)	2,445,030
Municipalities:		
Debenture principal repayments	720,164	1,727,948
Construction expenditure recoveries	6,073,859	7,090,277
The Government of Canada:		
Canada Pension Plan bond repayment	-	(3,023,000)
Canada Mortgage and Housing Corporation:		
Debenture principal repayments	(181,049)	(165,068)
Sinking fund payments - net	-	836,501
	(1,394,766)	2,004,489
Investment activities:		
Fixed asset additions	(23,269)	-
Proceeds from transfer of ownership - Ste. Rose plant	-	40,253
	(23,269)	40,253
Decrease in cash	(194,630)	(7,933)
Cash, beginning of year	1,799,266	1,807,199
Cash, end of year, Exhibit A	$ 1,604,636	$ 1,799,266

Notes to Financial Statements
for the year ended March 31, 1991

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The Board's financial statements have been prepared using the accrual basis of accounting.

(b) Accumulated excess of operating revenues over expenditures

The accumulated excess of operating revenues over expenditures, shown on the balance sheet pertains to plants operated under the following terms:

(A) Plants owned and operated by the Board with cost recovery over a 35 year life. These plants were constructed prior to 1972 under The Manitoba Water Supply Board Act. The Act was amended in 1972 and became known as The Manitoba Water Services Board Act with no further additions under this program. The amended Act provides for grants for rate stabilization by the Government of the Province of Manitoba.

(B) The plants operated by the Board under agreements with municipalities which were constructed since 1972 under The Manitoba Water Services Board Act.

(C) Plant owned and operated by the Board with cost recovery over a 20 year life.

All operating deficits of plants operated by the Board are recoverable from the municipalities. Municipalities are given credit for any accumulated surplus.

(c) Depreciation policy

The Board provides depreciation on a straight-line basis for its fixed assets over an 18 year term for equipment and a 35 year term for buildings under (b) (A) above and a 20 year term for equipment and buildings under (b) (C) above.

(d) Sinking fund

A sinking fund is maintained in accordance with the requirements of The Manitoba Water Services Board Act which prescribes that the Board pay a minimum annual instalment to the Minister of Finance of the Government of the Province of Manitoba of not less than 1% of the principal amount of the outstanding capital indebtedness on the preceding March 31, together with 4% of the balance in the sinking fund at that date.

In accordance with the Act, during 1990-91 the Board used all the funds available in the Sinking Fund for the repayment, in part, of the debt which matured during the fiscal year.

2. CONSTRUCTION IN PROGRESS RECOVERABLE FROM MUNICIPALITIES AND THE GOVERNMENT OF THE PROVINCE OF MANITOBA

The transactions in this account were as follows:

	March 31	
	1991	1990
Balance, beginning of year	$ 1,294,890	$ 1,403,323
Construction, Exhibit D	11,342,902	11,192,804
	12,637,792	12,596,127
Recoveries		
Municipalities		
Cash payments received, Exhibit D	6,073,859	7,090,277
The Government of the Province of Manitoba		
Grants - subsidization of construction costs	4,083,212	4,210,960
	10,157,071	11,301,237
Balance, end of year, Exhibit A	$ 2,480,721	$ 1,294,890

3. DEBENTURES RECEIVABLE FROM MUNICIPALITIES

The Board obtained capital debt financing at fixed interest rates from the Government of the Province of Manitoba and Canada Mortgage and Housing Corporation. In turn, the Board received payments or obtained debentures from municipalities for the municipal share of capitalized costs for plant construction. The debentures were issued to municipalities in amounts at fixed interest rates sufficient to discharge the municipalities' share of the corresponding capital debt financing.

Effective with the year ended March 31, 1986, the Board received cash in full settlement of capital work undertaken for municipalities.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements
for the year ended March 31, 1991

4. FIXED ASSETS

The following is the summary of [illegible] Board's fixed assets:

	1991	1990
Land and easements	$ 89,316	$ 89,316
Buildings	4,125,190	4,166,137
Less accumulated depreciation	2,455,253	2,380,092
	1,669,937	1,786,045
Equipment	1,403,164	1,436,680
Less accumulated depreciation	1,174,959	1,189,692
	228,205	246,988
	$ 1,987,458	$ 2,122,349

5. ACCUMULATED EXCESS OF OPERATING REVENUES OVER EXPENDITURES (Note 1(b))

Concerning plants operated under A only:

The Manitoba Water Services Board Act requires the Board to fix rates for each plant to recover costs pertaining to the services supplied taking into account grants for rate stabilization provided by the Government of the Province of Manitoba to those plants constructed under The Manitoba Water Supply Board Act. The rates set by the Board and approved by the Province are in accordance with tables maintained by the Board which indicate a return of full capital costs and operating deficits based on a 35 year operating life. For the year ended March 31, 1991 rate stabilization grants totalling $40,102 were paid in respect of the operations of 8 of the plants constructed under The Manitoba Water Supply Board Act (1990 - $62,371 respecting 9 plants).

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements
for the year ended March 31, 1991

	March 31			
	1991		1990	
	No.	Amount	No.	Amount
Plants operated under A - owned and operated by the Board:				
Plants with an accumulated excess of operating expenditures over revenues, recoverable	17	$ (666,727)	20	$ (670,008)
Plants with an accumulated excess of operating revenues over expenditures	17	1,059,830	14	783,121
	34	393,103	34	113,113
Plants operated under B - operated by the Board for municipalities:				
Plants with an accumulated excess of operating expenditures over revenues, recoverable	2	(21,369)	1	(8,856)
Plants with an accumulated excess of operating revenues over expenditures	7	297,736	8	286,044
	9	276,367	9	277,188
Plant operated under C - owned and operated by the Board, newly constructed works:				
Plant with an accumulated excess of operating revenues over expenditures	1	201,711	1	70,764
Totals under A, B and C	44	$ 871,181	44	$ 461,065

6. INTEREST ADJUSTMENT FUND ACCOUNT

The Board charges interest on advances to construction projects and water treatment plants operated by the Board. The policy is to charge interest at a rate which reflects the cost of borrowing by the Board. The difference between interest charged and the cost of borrowing is accumulated in the Interest Adjustment Fund Account. The Board, from time to time, adjusts interest rates to maintain a $100,000 balance in the Interest Adjustment Fund Account. For both the current and preceding year, this balance was maintained without the need to apply interest to the Interest Adjustment Fund Account.

7. CAPITAL AUTHORITY

The Legislature has authorized the borrowing and expending of monies for municipal sewer and water systems. The unexpended amount as at March 31, 1991 is $18,799,900, under The Loan Act, 1990.

8. COMMITMENTS

The Board has signed agreements and offers for the construction of sewer and water systems for municipalities which amount to $11,991,300 as at March 31, 1991 (1990 - $12,772,700). Of this amount, $3,546,100 (1990 - $3,222,700) is expected to be funded by the Government of the Province of Manitoba grants for the subsidization of construction costs, with the balance of $8,445,200 (1990 - $9,550,000) to be funded from the Board's Capital Authority (Note 7) which will be repayable by municipalities through cash payments (Note 3).

9. COMPARATIVE FIGURES

Where appropriate, comparative figures for 1990 have been reclassified in order to conform to the presentation adopted in 1991.

Schedule 1

THE MANITOBA WATER SERVICES BOARD

Schedule of Debentures Receivable from Municipalities
as at March 31, 1991

MUNICIPALITY	NUMBER OF DEBENTURES	PAYMENT DATES	INTEREST RATES %	BALANCE
Village of Arborg	4	October 31, 1991 - 1998	9.25-11.25	$ 95,191
Village of Benito	1	October 31, 1991 - 1998	9.80	7,176
Village of Binscarth	1	October 31, 1991 - 1998	11.25	25,178
Village of Binscarth	1	December 31, 1991 - 2004	12.75	3,946
R.M. of Birtle	2	October 31, 1991 - 2000	11.25-13.75	120,875
Town of Birtle	2	December 31, 1991 - 2003	12.625-13.125	218,160
Town of Carman	3	October 31, 1991 - 1999	9.00-11.25	146,176
R.M. of Cartier	1	October 31, 1991 - 1995	10.95	72,256
Village of Cartwright	1	December 31, 1991 - 2004	12.75	19,161
R.M. of Coldwell	2	October 31, 1991 - 1996	9.80-10.95	77,477
L.G.D. of Consol	1	October 31, 1991 - 1996	9.80	33,998
Town of Dauphin	2	October 31, 1991 - 1996	9.80-10.95	253,649
Town of Deloraine	2	October 31, 1991 - 1999	9.80-11.25	17,845
R.M. of De Salaberry	2	December 31, 1991 - 2004	12.625-12.75	77,591
R.M. of East St. Paul	3	October 31, 1991 - 1997	9.00-10.95	87,288
Town of Emerson	2	October 31, 1991 - 1998	9.80-11.25	23,605
Village of Erickson	1	October 31, 1991 - 1994	9.25	2,874
R.M. of Eriksdale	1	October 31, 1991 - 1996	9.80	4,251
City of Flin Flon	5	December 31, 1991 - 2004	12.625-12.75	1,460,487
Village of Gilbert Plains	2	October 31, 1991 - 1995	9.25-10.95	47,913
Village of Glenboro	1	December 31, 1991 - 2002	13.125	87,951
Town of Grandview	4	October 31, 1991 - 1999	9.00-11.25	64,599
Town of Grandview	1	December 31, 1991 - 2002	13.125	51,583
Village of Gretna	2	October 31, 1991 - 1995	9.80 - 10.95	10,739
R.M. of Grey	1	October 31, 1991 - 1999	11.25	66,130
R.M. of Hanover	7	October 31, 1991 - 1999	9.00 - 11.25	245,954
R.M. of Hanover	2	December 31, 1991 - 2004	12.75	152,628
Town of Killarney	1	December 31, 1991 - 2004	12.75	29,298
Village of Lac du Bonnet	1	October 31, 1990 - 1997	9.50	169,260
R.M. of Lorne	3	October 31, 1991 - 2000	9.80 - 13.75	205,400
R.M. of MacDonald	4	October 31, 1991 - 1999	9.00 - 11.25	66,890
Village of Manitou	2	October 31, 1991 - 1998	9.00 - 11.25	58,270
Village of McCreary	3	October 31, 1991 - 1998	9.80 - 11.25	16,908
Town of Minnedosa	3	October 31, 1991 - 1999	9.80 - 11.25	24,935
R.M. of Miniota	1	October 31, 1991 - 1996	9.80	8,343
Village of Minitonas	1	October 31, 1991 - 1999	11.25	66,348
R.M. of Montcalm	1	December 31, 1991 - 1998	12.625	46,831
Town of Morris	2	October 31, 1991 - 1998	9.00 - 9.80	102,968
Town of Morris	2	December 31, 1991 - 2004	12.75-13.125	88,745
L.G.D. of Mountain	2	October 31, 1991 - 1997	9.00-9.80	75,700
Town of Neepawa	1	October 31, 1991 - 1998	9.80	13,946
R.M. of North Norfolk	3	October 31, 1991 - 1996	9.25-10.95	60,840
Village of Notre Dame De Lourdes	3	October 31, 1991 - 1995	9.25-10.95	30,710
Carried forward	90			$ 4,540,073

Schedule 1

THE MANITOBA WATER SERVICES BOARD

Schedule of Debentures Receivable from Municipalities
as at March 31, 1991

MUNICIPALITY	NUMBER OF DEBENTURES	PAYMENT DATES	INTEREST RATES %	BALANCE
Brought forward	90			$ 4,540,073
R.M. of Ochre River	2	December 31, 1991 - 2002	12.625-13.125	23,756
R.M. of Pipestone	2	October 31, 1991 - 2000	11.25-13.75	37,016
Village of Plum Coulee	3	October 31, 1991 - 1999	9.00-11.25	186,287
City of Portage la Prairie	4	October 31, 1991 - 1999	9.00-11.25	436,811
R.M. of Portage la Prairie	2	October 31, 1991 - 1995	9.25-10.95	51,278
Town of Rapid City	1	October 31, 1991 - 1998	9.80	9,018
R.M. of Ritchot	6	October 31, 1991 - 2000	9.80-13.75	89,002
R.M. of Ritchot	2	December 31, 1991 - 2004	12.625-12.75	117,754
R.M. of Riverside	2	October 31, 1991 - 2000	11.25-13.75	132,655
Village of Riverton	4	October 31, 1991 - 1998	9.00-10.95	126,902
Village of Riverton	1	December 31, 1991 - 2002	13.125	15,216
Town of Roblin	2	October 31, 1991 - 2000	11.25-13.75	227,193
Village of Rossburn	5	October 31, 1991 - 2000	9.00-13.75	59,455
Town of Russell	1	December 31, 1991 - 2004	12.75	318,068
Village of Ste. Anne	2	October 31, 1991 - 1996	9.80-11.25	38,421
Village of St. Claude	3	October 31, 1991 - 1996	9.80-10.95	28,658
Village of St. Claude	1	December 31, 1991 - 1999	12.75	12,435
Village of Ste. Rose du Lac	4	October 31, 1991 - 1997	9.00-10.95	39,314
Village of Ste. Rose du Lac	1	December 31, 1991 - 2004	12.75	61,741
Town of Selkirk	6	October 31, 1991 - 2000	9.00-13.75	851,659
Village of Shoal Lake	1	October 31, 1991 - 2000	13.75	133,670
R.M. of Siglunes	1	December 31, 1991 - 2001	13.125	6,128
Town of Souris	3	October 31, 1991 - 1998	9.00-9.80	326,701
Town of Souris	1	December 31, 1991 - 2000	12.75	13,566
Town of Steinbach	3	October 31, 1991 - 1997	9.00-10.95	51,220
Town of Stonewall	2	October 31, 1991 - 2006	9.80-10.95	783,106
R.M. of Strathcona	2	October 31, 1991 - 2000	11.25-13.75	35,068
L.G.D. of Stuartburn	3	October 31, 1991 - 2000	9.80-13.75	123,519
Town of Swan River	3	October 31, 1991 - 1997	9.00-10.95	325,145
R.M. of Tache	3	October 31, 1991 - 1998	9.00-10.95	17,513
Village of Teulon	1	October 31, 1991 - 2006	8.00	304,429
R.M. of Thompson	1	October 31, 1991 - 1996	9.80	83,507
Village of Treherne	2	October 31, 1991 - 1996	9.80-11.25	91,880
Town of Virden	3	October 31, 1991 - 1998	9.80-13.75	263,298
Town of Virden	1	December 31, 1991 - 1998	13.125	13,417
Community of Wabowden	1	August 1, 1991 - 1995	9.00	114,595
Village of Wawanesa	1	October 31, 1991 - 1999	11.25	2,069
Town of Winkler	1	October 31, 1991 - 1996	9.80	13,279
Town of Winnipeg Beach	1	October 31, 1991 - 1999	11.25	3,463
	178			$10,108,285

Schedule 2

THE MANITOBA WATER SERVICES BOARD

Schedule of Capital Debt
as at March 31, 1991

	1991	1990
Advances from the Government of the Province of Manitoba:		
10.720% payable on April 1, 1991	$ 503,508	$ 958,267
9.000% payable annually October 31, 1991-1997	1,108,532	1,219,070
9.800% payable annually October 31, 1991-1998	1,318,382	1,424,143
11.250% payable annually October 31, 1991-1999	1,415,602	1,504,496
9.250% payable annually March 31, 1992-2004	569,442	720,495
9.800% payable annually October 31, 1991-2006	959,680	1,055,339
9.400% payable annually October 31, 1991-2007	35,617	36,466
13.750% payable October 31, 1990	-	1,887,653
10.010% payable annually June 2, 1991-1999	1,989,676	2,122,809
12.625% payable annually December 31, 1991-2003	1,073,047	1,110,429
12.750% payable annually December 31, 1991-2004	1,333,523	1,368,774
9.625% payable annually March 31, 1992-2007	1,078,858	1,107,128
Other - payable on demand at bank prime	4,273,346	1,473,346
	15,659,213	15,988,415
Canada Mortgage and Housing Corp. Debentures:		
7.875% payable annually August 1, 1991-1994	34,575	41,674
8.000% payable annually December 1, 1991-1995	29,505	34,140
8.000% payable annually January 1, 1992-1996	17,812	20,611
8.000% payable annually January 1, 1992-1996	22,814	26,397
8.000% payable annually February 1, 1992-1996	24,238	28,046
10.000% payable annually February 1, 1992-1996	47,476	54,495
10.375% payable annually January 1, 1992-1996	62,071	71,143
10.375% payable annually January 1, 1992-1996	13,686	15,686
10.375% payable annually February 1, 1992-1996	45,521	52,174
10.375% payable annually February 1, 1992-1996	29,850	34,212
10.375% payable annually February 1, 1992-1996	34,880	39,978
10.375% payable annually February 1, 1992-1996	70,981	81,355
10.375% payable annually December 1, 1991-1996	76,221	85,005
10.750% payable annually August 1, 1991-1996	35,636	39,638
10.750% payable annually December 1, 1991-1996	21,586	24,040
10.750% payable annually December 1, 1991-1996	9,848	10,968
8.000% payable annually April 1, 1991-1997	7,740	8,711
8.000% payable annually July 1, 1991-1997	477,486	526,720
10.000% payable annually July 1, 1991-1997	19,564	21,420
10.000% payable annually July 1, 1991-1997	13,631	14,924
10.375% payable annually April 1, 1991-1997	75,719	84,446
10.375% payable annually April 1, 1991-1997	67,112	74,847
10.750% payable annually July 1, 1991-1997	103,348	112,850
9.625% payable annually February 1, 1992-1998	45,904	50,328
11.000% payable annually November 1, 1991-2002	370,624	385,019
	1,757,828	1,938,877
	$ 17,417,041	$ 17,927,292

THE MANITOBA WATER SERVICES BOARD

Schedule of Administrative Expenses for the year ended March 31, 1991

	1991	1990
Advertising	$ 4,471	$ -
Equipment	5,014	-
Insurance	912	418
Materials and office supplies	54,996	63,790
Miscellaneous	11,846	8,243
Postage	7,323	4,579
Professional services	136,931	76,940
Publications	1,938	1,783
Rentals	2,205	2,927
Repairs and maintenance	169	268
Salaries	1,440,575	1,480,912
Telephone and utilities	47,735	51,516
Travel	155,096	151,443
Total administrative expenses, Exhibit B	$ 1,869,211	$ 1,842,819

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of Moose Lake Loggers Ltd. as at March 31, 1991 and the statements of retained earnings, revenues and expenditures, and changes in financial position for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As reflected in note 11, the Company's unfunded pension liability as at March 31, 1991 was $140,003. In accordance with the Company's accounting policy, described in note 2, this liability and the related pension costs have not been reflected in these financial statements. In our opinion, however, this accounting policy is inappropriate because the obligations of the Company are not fully disclosed. If the unfunded pension liability and the associated pension costs had been recorded, the liabilities would have been increased and the retained earnings would have been decreased by $140,003. Also, pension costs for the year ended March 31, 1991 would have been increased by $4,877.

In our opinion, except for the failure to record unfunded pension liabilities, as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
November 15, 1991

F.H. Jackson, CA
Provincial Auditor

MOOSE LAKE LOGGERS LTD.

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Current assets:		
Cash and bank	$ 36,469	$ (56,851)
Accounts receivable (Note 3)	240,970	598,906
Loans receivable (secured by chattel mortgages)	81,092	16,544
Inventories, at cost	44,736	59,439
Prepaid expenses	2,873	17,943
Total current assets	406,140	635,981
Fixed and other assets (Note 4)	103,992	32,173
	$ 510,132	$ 668,154
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Bank demand loan (Note 5)	10,000	130,000
Accounts payable and accrued liabilities (Note 6)	180,077	151,348
Total current liabilities	190,077	281,348
Shareholders' equity:		
Capital stock (Note 7)		
Authorized - 35,000 common shares for a maximum consideration of $350,000		
Issued and fully paid - 30,009 common shares	300,090	300,090
Contributed surplus:		
Grant from the Government of Canada towards capital expenditures	-	5,720
Retained earnings	19,965	80,996
Total shareholders' equity	320,055	386,806
	$ 510,132	$ 668,154

The notes are an integral part of the financial statements.

MOOSE LAKE LOGGERS LTD.

Statement of Retained Earnings
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Balance, beginning of year	$ 80,996	$ 20,582
Revenues over (under) expenditures	(66,751)	60,414
Transfer from Contributed surplus	5,720	-
Balance, end of year	$ 19,965	$ 80,996

The notes are an integral part of the financial statements.

MOOSE LAKE LOGGERS LTD.

Statement of Revenues and Expenditures for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	1990
Revenues:		
Log cutting contract	$ 2,082,808	$ 2,479,081
Commissary sales	435,054	473,695
Board charges	13,344	271,676
Tree planting	104,292	112,076
Miscellaneous	18,018	41,624
Road maintenance	21,451	27,703
Interest income	11,312	4,797
Accounting service fees	-	600
Total revenues	2,686,279	3,411,252
Expenditures: (Schedule 1)		
Log cutting contracts	1,794,719	2,027,037
Camp operations	635,577	1,168,787
General and administrative	252,940	250,384
Tree planting	99,794	98,130
Total expenditures	2,783,030	3,544,338
Revenues over (under) expenditures, before operating assistance from the Government of the Province of Manitoba and extraordinary item	(96,751)	(133,086)
Operating assistance from the Government of the Province of Manitoba	30,000	140,000
Extraordinary item - Fire loss recovery	-	53,500
Revenues over (under) expenditures	$ (66,751)	$ 60,414

The notes are an integral part of the financial statements.

MOOSE LAKE LOGGERS LTD.

Statement of Changes in Financial Position
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Cash Provided By (Used For):		
Operating activities:		
Revenues over (under) expenditures	$ (66,751)	$ 60,414
Depreciation and amortization not requiring cash	18,758	47,835
Reduction (increase) in working capital	351,890	(57,727)
Total cash provided by operating activities	303,897	50,522
Investing activities:		
Additions to fixed assets	(100,374)	-
Proceeds on sale of fixed assets	9,797	24,880
Total cash provided by (used for) investing activities	(90,577)	24,880
Increase in cash	213,320	75,402
Financial position, beginning of year	(186,851)	(262,253)
Financial position, end of year	$ 26,469	$ (186,851)
Financial position is represented by:		
Cash and bank	36,469	(56,851)
Bank demand loan	(10,000)	(130,000)
	$ 26,469	$ (186,851)

The notes are an integral part of the financial statements.

SCHEDULE 1

MOOSE LAKE LOGGERS LTD.

Schedule of Operating Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Log cutting contracts:		
Wages and benefits	$ 1,179,525	$ 1,296,317
Equipment rental	536,420	632,652
Fuel and oil	46,805	43,836
Miscellaneous supplies	8,877	26,883
Health and post secondary education tax levy	21,937	25,265
Repairs and maintenance	1,155	2,084
Total	$ 1,794,719	$ 2,027,037
Camp operations:		
Wages and benefits	$ 110,202	$ 317,129
Provisions	19,424	150,624
Repairs and maintenance	22,641	109,194
Fuel and oil	47,850	83,408
Depreciation	10,337	32,720
Freight	1,829	14,001
Insurance	10,254	12,008
Equipment rental	1,201	7,647
Health and post secondary education tax levy	2,058	5,929
	225,796	732,660
Commissary - cost of sales	409,781	436,127
Total	$ 635,577	$ 1,168,787

SCHEDULE 1

MOOSE LAKE LOGGERS LTD.

Schedule of Operating Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
General and administrative:		
Wages and benefits	$ 137,039	$ 156,652
Professional fees	37,336	22,848
Miscellaneous	20,294	9,082
Directors' fees and salaries	8,851	8,514
Fuel and oil	9,447	8,241
Interest expenditure	7,295	7,951
Insurance	6,713	6,833
Travel	3,381	6,420
Communications	4,669	6,340
Directors' travel	6,008	5,023
Stationery and supplies	4,250	3,241
Health and post secondary education tax levy	2,535	3,103
Repairs and maintenance	3,641	3,069
Depreciation	1,539	2,448
Bad debts	(58)	619
Total	$ 252,940	$ 250,384
Tree planting:		
Wages and benefits	$ 90,010	$ 89,515
Bus and trucks	4,400	3,374
Miscellaneous	1,883	2,852
Health and post secondary education tax levy	1,626	1,745
Tools and bags	1,745	644
Equipment maintenance	130	-
Total	$ 99,794	$ 98,130

MOOSE LAKE LOGGERS LTD.

Notes to Financial Statements
for the year ended March 31, 1991

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1. Nature of Operations

Moose Lake Loggers Ltd. was formed in 1971 under the Manitoba Natural Resources Development Act for the purpose of establishing an economically viable logging operation providing employment for residents of Moose Lake and the surrounding area. The Company also has a mandate to train local residents to fill the jobs created, with the ultimate goal being management by local residents.

2. Significant Accounting Policies

a) The accompanying financial statements have been prepared in accordance with generally accepted accounting principles except for administrative expenses and the pension plan expenses and liabilities.

Certain administrative expenses, as detailed in Note 8, are provided at no charge by the Government of the Province of Manitoba. These costs are not reflected in the financial statements.

The Company records pension plan expenses on the basis of current funding contributions. Current funding contributions are based on actual hours worked at prescribed pension plan rates. The Company does not record the unfunded liability as determined by the actuary and described in note 11.

b) Depreciation and amortization of fixed and other assets is provided to amortize the cost over the estimated useful life of each asset. The following rates are applied on a straight line basis, except for trucks which are depreciated on a diminishing balance basis.

	Annual Rate
Buildings	10%
Trailers	15-33 1/3%
Equipment	20%
Trucks	30%
Campsite and marshalling area improvements	12 1/2-33 1/3%
Main road construction	10 cents per cord sold

c) Log cutting contract revenues are recognized as revenue at the point of delivery to roadside and are based on quantities scaled in accordance with the terms of the sales contract.

MOOSE LAKE LOGGERS LTD.

Notes to Financial Statements for the year ended March 31, 1991

3. Accounts Receivable

	1991	1990
Trade	$ 165,487	$ 443,400
Employees	45,483	15,506
Government of the Province of Manitoba	30,000	140,000
	$ 240,970	$ 598,906

4. Fixed and Other Assets

			1991	1990
	Cost	Accumulated Depreciation & Amortization	Net	Net
Main road construction	$ 235,321			
Less grants received	156,000			
	79,321	$ 79,321	$ -	$ -
Campsite and marshalling area improvements	82,642	5,449	77,193	-
Buildings and trailers	455,109	455,109	-	437
Equipment	234,776	207,977	26,799	31,736
Total	$ 851,848	$ 747,856	$103,992	$ 32,173

5. Bank Demand Loan

The bank demand loan is guaranteed by the Government of the Province of Manitoba to a maximum of $500,000 including unpaid interest.

MOOSE LAKE LOGGERS LTD.

Notes to Financial Statements
for the year ended March 31, 1991

6. Accounts Payable and Accrued Liabilities

	1991	1990
Trade	$ 88,511	$ 55,076
Government of the Province of Manitoba	39,394	15,928
Wage deductions	26,943	49,562
Employees	25,229	30,782
	$ 180,077	$ 151,348

7. Capital Stock

The issued shares are held by the Government of the Province of Manitoba except for nine shares which are held by the appointed directors in trust for Her Majesty the Queen in right of the Province of Manitoba.

8. Services Provided by the Government of the Province of Manitoba

The Government of the Province of Manitoba provides the services of the Secretary-Treasurer and other miscellaneous administrative services at no charge to the Company. The cost of these services is approximately $36,000 (1990 - $36,800).

9. Economic Dependence

The Company is economically dependent on the Government of the Province of Manitoba and the Company's sole customer is Repap Pulp and Paper Inc.

10. Imputed Interest Cost Information

The annual borrowing cost to the Government in respect of its 1990 debt for the average investment of $300,090 in share capital at the weighted average rate of 10.6% (1989 - 10.05%) is $31,800 (1990 - $30,200). This cost is not reflected in these financial statements.

11. Pension Liability

The Company participates in a multi-employer pension plan for hourly paid employees represented by the IWA-Canada. A full actuarial valuation of the pension plan was performed as at December 31, 1989. On the basis of a projection, the actuary has estimated that Moose Lake Logger's share of the unfunded liability is $140,003 as at March 31, 1991 (1990 - $135,126).

KELLEHER & COMPANY CHARTERED ACCOUNTANTS

117 - 10th STREET
P.O. BOX 1358
BRANDON, MANITOBA
R7A 6N2
PHONE (204) 727-0671

AUDITORS' REPORT

To The Members of the Pembina Valley Conservation District

We have audited the balance sheet of the Pembina Valley Conservation District as at 31 March 1991 and the statements of revenue and expenditures for the year then ended. These financial statements are the responsibility of the organization's management. Our responsiblity is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at 31 March 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Kelleher + Company

Brandon, Manitoba
8 May 1990

KELLEHER & COMPANY
CHARTERED ACCOUNTANTS

PEMBINA VALLEY CONSERVATION DISTRICT

BALANCE SHEET
AS AT 31 MARCH 1991

	1991	1990
ASSETS		
CURRENT		
Cash	$ 774	$ -
Accounts receivable, note 2	1,541	5,000
	2,315	5,000
FIXED, notes 1 and 3	22,326	4,445
	$ 24,641	$ 9,445
LIABILITIES		
CURRENT		
Bank overdraft	$ -	$ 4,938
Accounts payable	-	347
	-	5,285
EQUITY		
SURPLUS	24,641	4,160
	$ 24,641	$ 9,445

COMMITMENT, note 4

COMPARATIVE FIGURES, note 5

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS
FOR THE YEAR ENDED 31 MARCH 1991

	1991	1990
REVENUE		
Interest income	$ 1,635	$ -
Municipal grants		
Rural Municipality of Lorne	7,676	876
Rural Municipality of Louise	7,472	853
Rural Municipality of Pembina	9,024	1,029
Rural Municipality of Thompson	5,028	575
Provincial grants	91,541	9,953
Other grants - external	50	-
- local	2,501	-
	124,927	13,286
EXPENDITURES		
Accounting and legal	-	300
Advertising	7	1,762
Depreciation	3,366	-
Dues	500	-
Education	6,564	80
Goods and services tax	556	-
Hydro and propane	3,361	-
Insurance	1,459	5
Interest and bank charges	73	-
Office	6,713	397
Rent	2,700	900
Repairs and maintenance	15,140	-
Staff training	323	-
Telephone	1,502	-
Wages and benefits	62,182	5,682
	104,446	9,126
NET INCOME FOR THE YEAR	20,481	4,160
Surplus, beginning of year	4,160	-
SURPLUS, END OF YEAR	$ 24,641	$ 4,160

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 1991

	1991	1990
CASH PROVIDED BY (APPLIED TO) CONTINUING OPERATIONS		
Net income for the year	$ 20,481	$ 4,160
Non-cash items included in the determination of net income		
Depreciation	3,366	-
Cash provided by (applied to) changes in non-cash working capital, note 6	3,112	(4,653)
	26,959	(493)
CASH (APPLIED TO) INVESTING ACTIVITIES		
Purchase of fixed assets	(21,247)	(4,445)
INCREASE (DECREASE) IN CASH AND EQUIVALENTS	5,712	(4,938)
Cash and equivalents, beginning of year	(4,938)	-
CASH AND EQUIVALENTS, END OF YEAR	$ 774	$ (4,938)
Represented by:		
Cash	$ 774	$ -
Bank overdraft	-	(4,938)
	$ 774	$ (4,938)

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
31 MARCH 1991

1. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the organization:

a) Depreciation

Depreciation is provided on a straight line basis as follows:

Automotive equipment - 25%
Office furniture and equipment - 15% and 25%

b) Organization Characteristics

The organization is a non-profit organization. Therefore, any surplus it may generate is non-taxable.

2. ACCOUNTS RECEIVABLE

Accounts receivable result from an over-expenditure of programs funded by the province for the 1991 fiscal year. This amount must be recovered from provincial programs funding for the subsequent year.

3. FIXED ASSETS

	1991		1990	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Automotive equipment	$ 15,892	$ 1,986	$ -	$ -
Office furniture and equipment	9,800	1,380	4,445	-
	25,692	3,366	4,445	-
Cost less accumulated depreciation	$ 22,326		$ 4,445	

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
31 MARCH 1991

4. COMMITMENT

The Organization has leased realty at an annual rental of $3,600 to 1993.

5. COMPARATIVE FIGURES

Prior year's figures are for a six month period.

6. CHANGES IN NON-CASH WORKING CAPITAL

	1991	1990
(Increase) decrease in accounts receivable	$ 3,459	$ (5,000)
Increase (decrease) in accounts payable	(347)	347
	$ 3,112	$ (4,653)

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of The Public Schools Finance Board as at June 30, 1990 and the statement of revenue and expenditure and accumulated surplus for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Board is not complying with its reporting responsibilities as defined in the Public Schools Finance Board Act (Act). As indicated in note 8 to the financial statements, the Board is taking steps to review its structure and mandate under the Act and its reporting responsibilities. Because this review is not complete, it is impractical for the Board to estimate any adjustments which would be required to these financial statements to ensure compliance with section 9(2) of the Act.

In our opinion, except for the effect of any adjustments which would be required to ensure compliance with section 9(2) of the Act as discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Board as at June 30, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
March 22, 1991

F. H. Jackson, CA
Provincial Auditor

THE PUBLIC SCHOOLS FINANCE BOARD

Balance Sheet
as at June 30, 1990

ASSETS	1990	1989
	(in thousands of dollars)	
Cash in bank	$ 502	$ 310
Funds on deposit with the Government of the Province of Manitoba	4,329	-
Accounts receivable:		
Government of the Province of Manitoba	41,797	17,648
Municipal corporations	125,119	129,411
Other	302	300
Prepaid expense	8	12
Deferred costs, Note 4	200	207
	$ 172,257	$ 147,888
LIABILITIES AND SURPLUS		
Support payable to school divisions	$ 5,658	$ 5,799
Accrued interest	4,639	3,334
Other payables	1,933	1,835
Notes payable on demand, at bank prime, Government of the Province of Manitoba	138,719	123,772
	150,949	134,740
Reserve: Note 5		
Appropriated from surplus for 1990\91 operations	8,400	-
Appropriated from surplus for 1991\92 operations	7,000	-
	15,400	-
Accumulated surplus	5,908	13,148
	$ 172,257	$ 147,888

THE PUBLIC SCHOOLS FINANCE BOARD

Statement of Revenue and Expenditure and Accumulated Surplus for the year ended June 30, 1990

	1990	1989 (Note 3)
	(in thousands	of dollars)
Revenue:		
Government of the Province of Manitoba	$ 502,525	$ 266,291
Municipal corporations, education support levy	211,236	129,411
	713,761	395,702
Expenditure:		
Support to school divisions, Schedule 1	696,448	397,511
Administrative and other expenses, Schedule 2	9,153	4,291
	705,601	401,802
Excess (deficiency) of revenue over expenditure	8,160	(6,100)
Accumulated surplus:		
Balance, beginning of year	13,148	19,248
Transfer to reserve, Note 5	(15,400)	-
Balance, end of year	$ 5,908	$ 13,148

SCHEDULE 1

THE PUBLIC SCHOOLS FINANCE BOARD

Schedule of Support to School Divisions for the year ended June 30, 1990

	1990	1989 (Note 3)
	(in thousands of dollars)	
Operating:		
Block	$ 427,619	$ 255,837
Equalization	87,894	48,765
Guarantee	13,324	4,397
Special services	46,853	27,157
Transportation	27,201	16,533
Curricula materials	7,307	4,400
Bilingualism	6,859	4,010
Vocational industrial	4,983	3,050
Language development for Natives	3,106	1,805
Inner city	2,101	1,135
Compensatory	3,324	2,033
English as a second language	2,104	1,186
Small schools	1,932	1,154
Heritage language	271	171
Loss of Treaty Indian enrolment	37	56
Early identification	250	157
Increased enrolment	1,890	-
Interest	403	-
Reimbursement of audit fees	427	-
Adjustment of Previous years' support to school divisions from estimated to actual	280	249
Capital:		
Debt servicing, Note 6	48,673	20,928
Other	5,488	2,728
Buses	2,591	951
Vocational equipment	1,531	809
Total support to school divisions	$ 696,448	$ 397,511

THE PUBLIC SCHOOLS FINANCE BOARD

Schedule of Administrative and Other Expenses for the year ended June 30, 1990

	1990	1989 (Note 3)
	(in thousands of dollars)	
Board members' indemnities	$ 118	$ 49
Staff salaries, Note 8	888	415
Professional services	62	65
Travel and sundry	61	25
Printing, stationery and supplies	131	47
Equipment	56	76
Telephone	19	10
Insurance	7	5
Equipment rentals	6	2
Interest charges on notes payable to the Government of the Province of Manitoba	7,805	3,597
Total administrative and other expenses	$ 9,153	$ 4,291

THE PUBLIC SCHOOLS FINANCE BOARD

Notes to Financial Statements
June 30, 1990

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1. Nature of the Board's Operations

The Public Schools Finance Board was established by The Public Schools Finance Board Act in April 1967. The objectives of the Board are to facilitate the financing of the Government Support to Education Program for school divisions and to assist boards of school divisions in the economic operation of the school system. The Board is responsible for the administration of the support provided under the Program.

2. Significant Accounting Policies

(a) The accounts of the Board are maintained on an accrual basis, except for debt servicing support which is expensed on a cash basis and fixed asset purchases which are expensed in the year of acquisition.

(b) The education support levy is assessed against municipal corporations on a calendar year basis. The fiscal year of the Board, being July to June spans two calendar years. The Board applies 40% of the levy of the first calendar year to the July to December period and then applies 60% of the levy of the second calendar year to the January to June period.

3. Change in Year End

In accordance with Order-in-Council 573/90, dated May 23, 1990, the fiscal year end of the Board was changed from December 31 to June 30. Because of this change, the 1989 figures reflect six months of operations and are therefore not fully comparable to those of the current year.

4. Deferred Costs

During 1988 the Board authorized the purchase of a computerized School Administrator System for sale to school divisions with anticipated full recovery over the next three to five years. As at June 30, 1990, the Board had spent $362,399 (1989 - $309,135) for the System and recovered $162,725 (1989 - $101,785) from sales to school divisions.

5. Reserve

In accordance with Section 9 (7) of the Public Schools Finance Board Act, the Board, upon the recommendation of the Department of Education and Training, has approved the appropriation of surplus funds for future years to the extent of $15,400,000 as follows:

1990/91 fiscal year	$8,400,000
1991/92 fiscal year	$7,000,000

6. Debt Servicing

The capital support portion of the Government Support to Education Program includes payments made to service debenture debt of school divisions during the fiscal year. As at June 30, 1990, the approved outstanding debenture debt is $298,429,233 (1989 - $284,964,333). The Board has not, however, assumed legal liability related to the repayment of such long-term debt and, therefore, this amount is not reflected in the financial statements.

7. Commitments

As at June 30, 1990, the Board has $1,460,155 (1989 - $2,705,361) in outstanding commitments for the purchase of school buses, and $3,104,060 (1989 - $2,660,863) for vocational equipment and other capital project approvals carried forward.

8. Cost Apportionment

The Government of the Province of Manitoba provides the Board with staff for administrative purposes. A portion of the employees' salaries is charged to the Board's operations.

In 1988, the Board initiated a review to examine its mandate and structure with particular emphasis on the legislation incorporating it. This review may result in recommendations for changes to the Act or in changes to the basis of apportionment of administrative costs, including such costs as salaries and employee benefits, office space and utilities, borne by the Board under section 9(2) of the Act. Because this review is not complete, it is impractical for the Board to estimate the full extent of any adjustments which would be required to these financial statements to ensure full compliance with the requirements of the Act to recover the costs of administering its programs. For those individuals whose salaries are charged to the Board's operations, the Board has estimated the cost from July 1989 to June 1990 pertaining to employee benefits to be $128,700 (January to June, 1989 - $60,150) and for office space and utilities to be $40,700 (January to June, 1989 - $19,400). These amounts are not recorded in the financial statements.

Manitoba

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of the Public Service Group Insurance Fund as at April 30, 1990 and the statements of operations and changes in the reserve for the employee's group life insurance plan part of the Fund, the accidental death and disablement plan part of the Fund and the dependents' group life insurance plan part of the Fund for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at April 30, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
January 9, 1991

Exhibit A

THE PUBLIC SERVICE GROUP INSURANCE FUND

Balance Sheet
as at April 30, 1990

ASSETS

	1990	1989
Cash	$ 30,670	$ 9,865
Investments, Note 2(c), Schedule 1	42,471,171	34,771,732
Amounts Held By Canada Life Assurance Company	1,017,690	2,259,259
Accrued interest on investments	963,815	586,735
	$44,483,346	$37,627,591

LIABILITIES

	1990	1989
Accounts payable	$ 9,862	$ 9,374
Reserve for current and future benefits for:		
Employee's Group Life Insurance Plan Part of the Fund, Note 4, Exhibit B	38,008,234	32,365,421
Accidental Death and Disablement Plan Part of the Fund, Note 5, Exhibit C	6,368,708	5,262,723
Dependents' Group Life Insurance Plan Part of the Fund, Note 6, Exhibit D	96,542	(9,927)
	44,473,484	37,618,217
	$44,483,346	$37,627,591

Exhibit B

THE PUBLIC SERVICE GROUP INSURANCE FUND

Employee's Group Life Insurance Plan Part of the Fund
Statement of Operations and Change in the Reserve
for the year ended April 30, 1990

	1990	1989
Income:		
Contributions, Note 2(b):		
Employees	$ 7,005,479	$ 6,663,406
Employers	2,655,916	2,526,236
Retired employees	583,487	526,092
Total contributions	10,244,882	9,715,734
Investment income, Note 2(c):		
Interest	2,119,645	1,722,554
Amortization of discount	1,757,261	1,560,950
Transfer to provision for investment losses	(92,950)	(75,443)
Net investment income	3,783,956	3,208,061
Total income	14,028,838	12,923,795
Expenditures:		
Death claims	7,947,142	7,444,693
Administrative fee charged by The Civil Service Superannuation Board	76,848	72,721
Professional fees	103,690	5,192
Canada Life Assurance Company:		
Premium taxes	161,926	152,395
Retention charge	78,685	84,214
Charge for conversions	8,700	33,096
Risk charge	7,425	7,425
Other	1,609	1,548
Total expenditures	8,386,025	7,801,284
Excess of income over expenditures	5,642,813	5,122,511
Reserve at beginning of year	32,365,421	27,242,910
Reserve at end of year, Exhibit A	$38,008,234	$32,365,421

Exhibit C

THE PUBLIC SERVICE GROUP INSURANCE FUND
Accidental Death and Disablement Plan Part of the Fund
Statement of Operations and Change in the Reserve
for the year ended April 30, 1990

	1990	1989
Income:		
Contributions, employers, Note 2(b)	$ 1,060,249	$ 1,023,968
Investment income, Note 2 (c):		
Interest	583,673	395,054
Amortization of discount	162,608	80,210
Transfer to provision for investment losses	(14,526)	(12,525)
Net investment income	731,755	462,739
Total income	1,792,004	1,486,707
Expenditures:		
Death claims	638,566	543,069
Administration fee charged by The Civil Service Superannuation Board	7,946	7,610
Professional fees	10,722	543
Canada Life Assurance Company:		
Premium taxes	13,352	11,538
Claims charge	2,948	2,550
Retention charge	6,244	6,578
Risk charge	6,075	6,075
Other	166	–
Total expenditures	686,019	577,963
Excess of income over expenditures	1,105,985	908,744
Reserve at beginning of year	5,262,723	4,353,979
Reserve at end of year, Exhibit A	$ 6,368,708	$ 5,262,723

Exhibit D

THE PUBLIC SERVICE GROUP INSURANCE FUND
Dependents' Group Life Insurance Plan Part of the Fund
Statement of Operations and Change in the Reserve
for the year ended April 30, 1990

	1990	1989
Income:		
Contributions, Note 2(b):		
Employees	$ 494,337	$ 485,538
Retired employees	51,513	49,350
Total contributions	545,850	534,888
Interest income, Note 2(c)	13,662	1,157
Transfer to provision for investment losses	(10)	–
Total income	559,502	536,045
Expenditures:		
Death claims	414,000	439,000
Administration fee charged by The Civil Service Superannuation Board	4,088	4,228
Professional fees	5,516	302
Canada Life Assurance Company:		
Premium taxes	8,495	8,898
Retention charge	6,366	6,527
Conversion charges	1,378	1,880
Other	13,190	9,462
Total expenditures	453,033	470,297
Excess of income over expenditures	106,469	65,748
Reserve at beginning of year	(9,927)	(75,675)
Reserve at end of year, Exhibit A	$ 96,542	$ (9,927)

THE PUBLIC SERVICE GROUP INSURANCE FUND
Notes to Financial Statements
for the year ended April 30, 1990

1. Nature of operation:

The Public Servants Insurance Act provides for the establishment of a Fund to be known as the Public Service Group Insurance Fund. The Fund is responsible for the administration of the group insurance policies entered into by the Government and the Insurer. The Fund's operations are split into three parts and reported separately for:

the Employee's Group Life Insurance Plan Part,
the Accidental Death and Disablement Plan Part, and
the Dependents' Group Life Insurance Plan Part.

This split is consistent with the financial arrangements with the Insurance Company.

2. Significant accounting policies:

The Fund's fiscal year coincides with the insurance policy year. The financial statements reflect the results of transactions based on the following significant accounting policies:

(a) Direct costs are charged to each Plan. The Civil Service Superannuation Board administration fee and other administration costs that are not identified as direct costs are allocated between Plans based on the proportion of each Plan's contributions to total contributions for all Plans.

(b) Contributions include an accrual in respect of the partial insured period ending April 30th for each insurance policy year.

(c) The provision for investment losses, shown in Schedule 1, does not reflect a valuation of the investments, but is maintained to stabilize and even out the investment income. Investments are specifically identified to each plan part.

The investment income measurement policies consist of:

Premiums on bonds and debentures in excess of one percent of par value are amortized on a straight line basis over the remaining term and are charged to the provision for investment losses. All other premiums on investments are charged to the provision in the year of acquisition.

Discounts on bonds and debentures within or equal to one percent of par value are credited to income in the year of acquisition. All other discounts on these investments are amortized on a straight line basis over the remaining or renewable term and are credited to income.

2. (c) continued

Zero percent coupons are valued at the date of purchase and at the end of the year based on the purchase yield and the remaining term to maturity. The difference in the value of the bond from the date of purchase or the previous year end to the current year end is charged or credited to income in the current year.

Investment income is reduced annually by 1/4 of 1% of the book value of investments to a maximum of the provision not exceeding 3% of the book value of the investments and the amount of the reduction is credited to the provision.

Differences between amounts realized from the redemption or sale of investments and their book value are reflected in the provision.

(d) Claims recorded also include claims for a fiscal year which were processed within five months after the fiscal year end. There were no reported claims unrecorded as at April 30, 1989 and April 30, 1990.

3. Actuarial reports:

The financial statements do not take into account actuarial valuations and, therefore, do not reflect the financial position of the Fund on an actuarial valuation basis. In accordance with the Act, a triennial actuarial valuation and report is required to be made on the status of the Fund. The actuarial report as at December 31, 1988 disclosed an actuarial surplus of $21,956,869 in the Employees' Group Life Insurance Plan Part of the Fund, an actuarial surplus of $7,712,661 in the Accidental Death and Disablement Insurance Plan Part of the Fund, and an actuarial surplus of $22,981 in the Dependents' Group Life Insurance Plan Part of the Fund.

4. Employee's Group Life Insurance Plan Part of the Fund

(a) Maximum group life insurance coverage:

Effective July 1, 1984 the maximum amount of Employee's Group Life Insurance was increased to four times annual salary to a maximum annual salary of $37,500 providing insurance of $150,000, plus a dividend to a maximum of $8,025, amounting to total maximum coverage of $158,025.

4. (b) Experience rating:

The Insurer will, after the end of each policy year, determine whether a surplus or deficit has been incurred in accordance with the terms of the Group Life Insurance Policy. The Insurer agrees to pay the full amount of any surplus determined, less any deficits carried forward from prior years. If there is a deficit, the Fund and the Insurer shall determine the method of repayment. The insurer held $891,216 for the Employee's Group Life Insurance Plan Part of the Fund as at April 30, 1990.

(c) Termination:

If this policy is terminated, the surplus or deficit will be determined in accordance with the terms of the policy on a final settlement date. If on the final settlement date there is a surplus, after taking into account any surplus or deficit carried forward from previous years, the Insurer will pay the surplus as a final refund to the Fund. If there is a deficit, after taking into account any surplus or deficit carried forward from prior years, the Fund will pay the Insurer the amount of such deficit out of its Employee's Group Life Insurance Reserve and to the extent that such reserve is insufficient, payment will be made by the Province of Manitoba.

(d) Interest:

Interest will be added to any surplus or deficit from the end of the policy year on which the surplus or deficit is incurred, to the date of payment or recovery. The rates of interest are negotiated with the Insurer annually.

(e) Maximum claim charge:

The claim charge to the Employee's Group Life Insurance Plan arising from a multiple death catastrophe is subject to an overall maximum of $450,000 being three times the maximum individual claim with any excess absorbed by the Insurance Company.

5. Accidental Death and Disablement Plan Part of the Fund

(a) Experience rating:

The Insurer will, after the end of each policy year, determine whether a surplus or deficit has been incurred in accordance with the terms of the Accidental Death and Disablement Policy. The Insurer agrees to pay the full amount of any surplus determined, less any deficit carried forward from prior years. If there is a deficit, the Fund and the Insurer shall determine the method of repayment. The Insurer held $41,956 for the Accidental Death and Disablement Plan Part of the Fund as at April 30, 1990.

(b) Interest:

Interest will be added to any surplus or deficit from the end of the policy year in which the surplus or deficit is incurred to the date of payment or recovery. The rates of interest are negotiated with the Insurer annually.

(c) Termination:

If this policy is terminated, the surplus or deficit will be determined on a final settlement date. If on the final settlement date there is a surplus, after taking into account any surplus or deficit carried forward from previous years, the Insurer will pay the surplus as a refund to the Fund. If there is a deficit, after taking into account any surplus or deficit carried forward from previous years, the Fund will pay the Insurer the amount of such deficit out of its Accidental Death and Disablement Reserve and to the extent that such reserve is insufficient, payment will be made by the Province of Manitoba.

(d) Maximum claim charge:

The claim charge to the Accidental Death and Disablement Plan arising from a multiple death catastrophe is subject to an overall maximum of $225,000 being three times the maximum individual claim with any excess absorbed by the Insurance Company.

THE PUBLIC SERVICE GROUP INSURANCE FUND
Notes to Financial Statements
for the year ended April 30, 1990

6. Dependent's Group Life Insurance Plan Part of the Fund

(a) Experience rating:

The Insurer will, after the end of each policy year, determine whether a surplus or deficit has been incurred in accordance with the terms of the Dependent's Insurance Policy. If there is a surplus at the end of a policy year, after taking into account any deficit carried forward from previous years, the Insurer may pay the surplus to the Fund. The Insurer held $84,518 for the Dependent's Group Life Insurance Plan Part of the Fund as at April 30, 1990.

(b) Termination:

If this policy is terminated, the surplus or deficit will be determined in accordance with the terms of the policy on a final settlement date. The Insurer will pay the Fund any cumulative surplus after taking into account surplus or deficit carried forward from previous years. Any cumulative net deficit will be written off by the Insurer.

7. Comparative Figures:

Comparartive figures for the year ended April 30, 1989 have been restated to conform with this year's presentation.

Schedule 1

THE PUBLIC SERVICE GROUP INSURANCE FUND
Summary of Investments
as at April 30, 1990

	Par Value	1990 Book Value	1989 Book Value
Short term investments:			
Government of Canada T-Bills		$10,840,370	$ 7,294,340
Minister of Finance		6,035,682	3,052,555
		16,876,052	10,346,895
Bonds, debentures and coupons:			
Government of Canada	$33,202,750	23,435,932	22,427,409
Ontario Hydro	3,405,250	2,018,113	1,814,772
B.C. Hydro	1,295,125	664,242	598,338
	$37,903,125	26,118,287	24,840,519
		42,994,339	35,187,414
Less: Provision for investment losses, Note 2(c)		523,168	415,682
Total investments, Exhibit A		$42,471,171	$34,771,732

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of estates and trusts under administration of the Public Trustee as at March 31, 1991 and the statement of cash receipts and disbursements for the year then ended. These financial statements are the responsibility of the Public Trustee's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the estates and trusts under administration of the Public Trustee as at March 31, 1991 and the cash receipts and disbursements for the year then ended in accordance with the accounting policies described in note 2 to the financial statements.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
January 17, 1992

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Balance Sheet of estates and trusts under administration

as at March 31, 1991
(with 1990 figures for comparison)

ASSETS	1991	1990
Cash on hand and in bank	$ 871,321	$
Investments - common fund (Notes 2(a) and 4)	90,909,880	86,696,028
- specific estates and trusts (Note 5)	20,169,710	17,398,900
Accrued interest receivable on common fund investments (Note 2(a))	2,257,591	2,316,318
Receivable from the Government of the Province of Manitoba		592,885
Other assets at nominal value (Note 2(c))	1	1
	$ 114,208,503	$ 107,004,132

LIABILITIES		
Cheques issued in excess of funds on deposit	$	$ 43,410
Other liabilities at nominal value (Note 2(d))	1	1
Public Trustee - Fees payable (Note 6)	67,029	72,829
- Expenditures payable (Note 7)	13,084	63,418
	80,114	179,658
Estates and trusts under administration:		
Excess of recorded value of assets over liabilities		
The Mental Health Act	82,928,763	76,459,344
The Public Trustee Act	31,199,626	30,365,130
	$ 114,208,503	$ 107,004,132

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Statement of Cash Receipts and Disbursements
for the year ended March 31, 1991
(with 1990 figures for comparison)

RECEIPTS

	1991	1990
Funds held by estates and trusts brought under administration	$ 11,695,318	$ 9,705,273
Realization of equities in other estates	1,191,651	1,690,571
Pensions, compensation and assistance	16,235,552	13,923,505
Sickness, disability and other insurance benefits	2,264,591	1,922,481
Collections on account of:		
Accounts receivable	326,760	219,925
Rentals and leases receivable	227,350	184,348
Mortgages and agreements receivable	37,578	36,837
Receivable from the Government of the Province of Manitoba	592,518	98,609
	1,184,206	539,719
Sale of chattels	190,485	240,978
Sale of real estate	1,102,701	1,800,861
Interest - bonds and investment certificates	13,418,950	11,633,417
Dividends	142,482	145,070
Bank interest	161,977	84,144
Total receipts, before sale or redemption of securities	47,587,913	41,686,019
Sale and redemption of securities	35,045,012	63,237,986
Cheques issued in excess of funds on deposit at beginning of year	(43,410)	(169,449)
	$ 82,589,515	$ 104,754,556

DISBURSEMENTS

	1991	1990
Payments on account of:		
Accounts payable discharged	$ 104,998	$ 101,519
Mortgages and agreements payable	20,394	139,602
Real estate purchases	46,196	3,550
	171,588	244,671
Maintenance:		
Board, room and other expenses	16,411,207	14,602,864
Preservation of estates:		
Realty and income taxes	2,407,599	1,271,097
Insurance	123,443	104,704
Repairs	80,056	72,095
Sundry	1,092,166	758,068
	3,703,264	2,205,964
Support of dependents	52,529	55,710
Administration and passing of accounts (Note 6)	3,263,715	3,136,848
Goods & Services Tax re Fees	5,892	
Burial expenses	773,200	736,162
Estates and trusts released from administration	16,481,246	10,913,947
Total disbursements, before purchase of securities	40,862,641	31,896,166
Purchase of securities	40,855,553	72,901,800
Cheques issued in excess of funds on deposit at end of year		(43,410)
Cash on hand and in bank at end of year	871,321	
	$ 82,589,515	$ 104,754,556

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Notes to Financial Statements
March 31, 1991

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1. Role and Objective

The Public Trustee administers estates of mentally disabled persons, estates of deceased persons, and infant trusts. The Public Trustee is considered to be an appointment of last resort. The Public Trustee provides a public service, generally where there is no other competent or acceptable person available to provide the required service.

2. Significant Accounting Policies

Statement of Cash Receipts and Disbursements

The Statement of Cash Receipts and Disbursements reflects cash transactions which have occurred during the year for estates and trusts under administration.

Balance Sheet

The Balance Sheet reflects the financial position of estates and trusts under administration in accordance with the following significant accounting policies:

a) Investments - Common Fund

Investments of the common fund, established pursuant to Section 11(1) of The Public Trustee Act, are restricted to securities and loans authorized under The Trustee Act. Common fund investments are recorded at cost, adjusted for the amortization of premiums or discounts on purchase on a straight-line basis over the remaining term to maturity of the security. Interest is accrued on these investments. Earnings are distributed semi-annually to the individual estates and trusts on a pro rata basis.

b) Investments - Specific Estates and Trusts

Investments held for specific estates and trusts are recorded at par value, except for shares of capital stock and mutual funds. Shares of capital stock and mutual funds are valued as follows:

Shares assumed under administration prior to December 22, 1971 are valued at Valuation Day prices (market value as at December 22, 1971), if available.
Shares assumed under administration prior to December 22, 1971 for which no Valuation Day prices exist are recorded at cost, if available, or at a nominal value of $1.
Shares assumed under administration since December 22, 1971 are recorded at the market value as at the date of assumption, if available, or at a nominal value of $1.
Shares purchased by the Public Trustee are recorded at cost.
Shares forming part of estates of deceased persons assumed under administration are recorded at the market value as at the date of death, if available, or at a nominal value of $1.

c) Other Assets

Other assets which include bank accounts, accounts receivable, mortgages, notes receivable, real estate and other tangible assets are recorded for these financial statements at an aggregate nominal value of $1 as valuation of these assets is not readily determinable. These assets are recorded on the client accounts at estimated market value for administrative purposes.

d) Other Liabilities

Other liabilities which include accounts payable, mortgages and notes payable are recorded for these financial statements at an aggregate nominal value of $1 as valuation of these liabilities is not readily determinable. These liabilities are recorded on the client accounts at estimated market value for administrative purposes.

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Notes to Financial Statements
March 31, 1991

3. Changes in Accounting Policies

During the year, the Public Trustee changed its method of valuing estates other assets and other liabilities. Previously other assets and other liabilities were valued through a combination of actual, estimates, or nominal valuations. Other assets and liabilities are now valued at a nominal value of $1. These changes in valuation have been applied on a retroactive basis. The effect of these changes in accounting policy is a reduction to the recorded value of estates and trusts under administration of The Mental Health Act of $ 5,289,987 (1990 - $ 5,335,711) and under administration of The Public Trustee Act of $ 754,225 (1990 - $ 1,027,760).

4. Investments - Common Fund

	1991	1991	1990
	Par Value	Book Value	
Term deposits and investment certificates	$23,100,000	$23,100,000	$18,400,000
Government of Canada bonds	54,625,000	56,787,612	57,061,975
Province of Manitoba bonds	-	-	199,563
Province of Quebec bonds	1,000,000	999,013	998,274
Ontario Hydro-Electric bonds	9,000,000	9,023,255	9,036,216
Federal Business Development Bank	1,000,000	1,000,000	1,000,000
	$88,725,000	$90,909,880	$86,696,028

5. Investments - Specific Estates and Trusts

	1991	1990
Term deposits, investment certificates and treasury bills, at par value	$ 9,656,577	$ 6,322,547
Government of Canada and other bonds, at par value	8,145,153	8,554,199
Shares of capital stock and mutual funds (Note 2(b))	2,367,980	2,522,154
	$20,169,710	$17,398,900

6. **Administration Fees**

Under Section 14 of The Public Trustee Act, the Public Trustee may determine reasonable charges based on the services provided to the estates and trusts under her administration. Charges are made annually on the aforementioned basis to each estate and trust on its anniversary date of enrollment with the Public Trustee, except those estates and trusts which do not have sufficient funds, where the charges are either reduced or not made.

The Government of the Province of Manitoba requested that the total costs of the Public Trustee's Office be fully recovered by means of these administration fees. The Government of the Province of Manitoba recovers these costs from the administration fees charged to estates and trusts under administration by the Public Trustee. These fees are remitted to the Government of the Province of Manitoba when funds become available in each estate and trust.

Costs of operating the Public Trustee office are paid out of appropriations of the Government of the Province of Manitoba and are not reflected in these financial statements.

7. **Expenditures Payable to the Public Trustee**

Expenditures payable to the Public Trustee represent disbursements made on behalf of estates or trusts for which funds were not immediately available. These expenditures will be recovered from the estates or trusts concerned by the Public Trustee in due course when funds become available. If funds do not become available, these expenditures are recovered from an appropriation of the Department of Justice, Government of the Province of Manitoba.

8. **Statutory Fees and Costs**

Under Section 3(3) and Section 4 of The Public Trustee Act and Section 12 of The Infants' Estates Act, the Public Trustee provides legal services for estates and trusts not under his administration. Fees and court awarded costs collected and remitted to the Government of the Province of Manitoba amounted to $5,810 for the year ended March 31, 1991 (1990 - $8,958). These amounts are not reflected in the financial statements.

9. Comparative figures for year ended March 31, 1990 have been restated where necessary to conform with the presentation for March 31, 1991.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Teachers' Retirement Allowances Fund as at December 31, 1990 and the Statements of Changes in Benefit Reserves and Money Purchase Account for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
May 13, 1991

F. H. Jackson, CA
Provincial Auditor

Exhibit A

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Balance Sheet
as at December 31, 1990
(with 1989 figures for comparison)

ASSETS

	1990	1989
	(thousands of dollars)	
Cash on hand	$ --	$ 357
Investments, Schedule 1	738,513	664,082
Unamortized net adjustment to book value of securities sold before maturity	--	20
Accrued interest on investments	8,207	7,072
Investment income receivable	3,214	2,751
Teachers' contributions receivable from school divisions	3,016	2,814
Receivable from Government of the Province of Manitoba	1,438	1,098
Computer and office equipment, at cost less accumulated amortization of $164 (1989 - $95) Note 2(F)	241	256
	$754,629	$678,450

LIABILITIES

	1990	1989
Bank overdraft	$ 44	$ --
Unamortized net adjustment to book value of securities sold before maturity	1	--
Accounts payable	781	626
Money Purchase Account, Note 3, Exhibit C	159	100
Provision for Fund's share of employees' pension benefits, Note 2(E)	878	774
	1,863	1,500
Benefit Reserves, Exhibit B:		
Reserves for teachers' share of benefits:		
Basic	690,593	620,844
Pension indexing adjustments, Note 2(C)	59,944	54,051
Reserves for employers' share of benefits:		
Manitoba Teachers' Society	2,062	1,892
Manitoba Association of School Trustees	167	163
	752,766	676,950
	$754,629	$678,450

Exhibit B

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Statement of Changes in Benefit Reserves for the year ended December 31, 1990 (with 1989 figures for comparison)

(thousands of dollars)

	1990					1989
	Reserve for Teachers' Share of Benefits		Reserve for Employers' Share of Benefits			
	Basic	Pension Indexing Adjustments	Manitoba Teachers' Society	Manitoba Association of School Trustees	Total	Total
Additions:						
Contributions:						
Teachers	$ 32,308	$ 6,213	$ --	$ --	$ 38,521	$ 36,795
Province of Manitoba:						
Share of benefits charged	30,654	--	--	--	30,654	26,317
Re: Actuarial liability created by 1970 and 1973 amendments	1,613	--	--	--	1,613	1,613
Prior rural service of certain Winnipeg teachers	112	--	--	--	112	112
Manitoba Teachers' Society	--	--	69	--	69	86
Manitoba Association of School Trustees	--	--	--	6	6	13
Other: Transfers under reciprocal agreements	2,212	--	--	--	2,212	2,103
Transfer from Money Purchase Account, Exhibit C	76	--	--	--	76	--
Total contributions	66,975	6,213	69	6	73,263	67,039
Investment Income, Schedule 2, Note 2	61,087	6,378	185	15	67,665	68,367
Total additions	128,062	12,591	254	21	140,928	135,406
Deductions:						
Pensions paid	51,220	6,698	84	17	58,019	52,057
Refunds	2,697	--	--	--	2,697	2,767
Transfers under reciprocal agreements	3,011	--	--	--	3,011	1,983
Administrative expenses, Schedule 3	1,385	--	--	--	1,385	1,182
Total deductions	58,313	6,698	84	17	65,112	57,989
Net increase for year	69,749	5,893	170	4	75,816	77,417
Balance at beginning of year	620,844	54,051	1,892	163	676,950	599,533
Balance at end of year, Exhibit A	$690,593	$59,944	$2,062	$167	$752,766	$676,950

Exhibit C

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Statement of Money Purchase Account
for the year ended December 31, 1990
(with 1989 figures for comparison)

	1990	1989
	(thousands of dollars)	
Additions:		
Deposits	$121	$ 26
Allocation of interest income net of administration fee	14	9
	135	35
Deductions:		
Transfer to basic reserve upon election of annuity, Exhibit B	76	--
Increase for the year	59	35
Balance at beginning of year	100	65
Balance at end of year, Exhibit A	$159	$ 100

Schedule 1

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Summary of Investments
as at December 31, 1990
(with 1989 figures for comparison)

	1990		1989
	(thousands of dollars)		
	Par Value	Book Value	Book Value
Fixed income investments, Note 2(B)(i):			
Bonds and other debt instruments issued by, or guaranteed by, the following:			
Canada	$106,296	$ 81,628	$ 71,433
Province of Alberta	--	--	50
Province of British Columbia	3,115	1,603	1,672
Province of Manitoba	26,476	26,457	22,457
Province of New Brunswick	765	764	813
Province of Newfoundland	975	971	971
Province of Nova Scotia	220	219	219
Province of Ontario	22,922	19,635	12,982
Province of Prince Edward Island	690	684	683
Province of Quebec	--	--	300
Province of Saskatchewan	2,550	2,526	649
Hospital districts	5,807	5,806	5,994
Municipal corporations	8,225	8,216	9,514
Corporations	103,626	101,571	88,908
	281,667	250,080	216,645
Mortgages:			
Insured:			
National Housing Act (Canada)-regular	153,488	153,249	128,963
National Housing Act (Canada)-index linked	63,790	63,790	52,925
Other	2,257	2,257	2,432
Uninsured	14,020	14,019	14,305
	233,555	233,315	198,625
Total fixed income investments at amortized cost		483,395	415,270
Less: Provision for capital losses		4,560	3,947
Net fixed income investments, carried forward		$478,835	$411,323

Schedule 1

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Summary of Investments
as at December 31, 1990
(with 1989 figures for comparison)

	1990	1989
	(thousands of dollars)	
	Book Value	Book Value
Brought forward	$478,835	$411,323
Non-fixed income investments, Note 2(B)(ii):		
Real estate equity investments:		
Common shares	36,318	35,515
Participating bonds	76,310	70,702
Qualifying shares	96	60
Total real estate equity investments, at appraised values	112,724	106,277
Less: Provision for valuation declines	12,375	12,387
Net real estate equity investments	100,349	93,890
Direct natural resource investments:		
Shares and notes, at cost plus interest in retained earnings	31,403	29,399
Venture capital equity investments, at appraised values	25,014	24,534
Less: Provision for valuation declines	1,169	1,016
Net venture capital equity investments	23,845	23,518
International equity investments	10,000	--
Real estate acquired through mortgage defaults	1,381	1,482
Total non-fixed income investments	166,978	148,289
Short term notes, at cost	92,700	104,470
Total Investments, Exhibit A	$738,513	$664,082

Schedule 2

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Summary of Investment Income
for the year ended December 31, 1990
(with 1989 figures for comparison)

	1990	1989
	(thousands of dollars)	
Fixed income investments, Note 2(B)(i):		
Interest	$44,527	$36,567
Amortization of discounts and premiums	4,847	4,374
	49,374	40,941
Less: Allocation to provision for capital losses	657	965
	48,717	39,976
Non-fixed income investments, Note 2(B)(ii):		
Real estate equity:		
Interest and dividends	6,698	6,455
Adjustment due to changes in book value of investments	1,055	5,748
	7,753	12,203
Direct natural resources:		
Dividends	2,598	1,493
Adjustments due to changes in book value of investments	(1,721)	(504)
	877	989
Venture capital equity:		
Income	660	674
Adjustments due to changes in book value of investments	(2,986)	414
	(2,326)	1,088
Canadian Commercial Bank:		
Proceeds from sale of assets, Note 4	—	181
Income from real estate acquired through mortgage defaults	95	483
Short term notes:		
Interest	12,646	13,534
Total investment income	67,762	68,454
Allocated to:		
Provision for Fund's share of employees' pension benefits	(83)	(78)
Money Purchase Account, net of administration fee	(14)	(9)
Net Investment Income, Exhibit B	$67,665	$68,367

Schedule 3

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Administrative Expenses
for the year ended December 31, 1990
(with 1989 figures for comparison)

	1990	1989
	(thousands of dollars)	
Salaries	$ 776	$ 680
Staff Benefits	108	100
Actuary	126	64
Bank Expenses	7	8
Board Expenses	11	10
Courier	8	8
Data Processing	84	69
Investment Quotation Data	30	30
Miscellaneous	19	12
Office Furniture	5	1
Printing and Stationery	28	26
Professional Fees	39	135
Rent	20	--
Report to Members	71	9
Telephone	24	21
Travel and Conferences	29	20
	1,385	1,193
Less, miscellaneous revenues	--	11
Net administrative expenses, Exhibit B	$1,385	$1,182

THE TEACHERS' RETIREMENT ALLOWANCES FUND

Notes to the Financial Statements for the year ended December 31, 1990

1. **Nature of the Organization:**

The Teachers' Retirement Allowances Fund Board was originally constituted under an Act passed at the 1925 session of the Legislature and is responsible for administering the current legislation, The Teachers' Pensions Act. The Act provides for the establishment and maintenance of a pension plan and fund to provide retirement security for all public school teachers in Manitoba.

The Teachers' Retirement Allowances Fund primarily consists of contributions made by teachers and provides funds to meet half the cost of retirement benefits.

2. **Significant Accounting Policies:**

The significant accounting policies are summarized below:

(A) The Fund follows the accrual basis of accounting in all cases where the amount of the accrual is material, specifically teacher contributions and investment income.

(B) The investment valuation and income measurement policies consist of:

(i) Fixed income investments:

Income on fixed income investments includes the net effect of amortization of discounts and premiums on securities held as well as amortization of book losses on bonds sold before maturity in order to acquire other securities for an increase in net yield. The premiums, discounts and book losses are amortized on an effective yield basis over the remaining term to maturity.

One quarter of 1% of the weighted average monthly book value during the year of fixed income investments, to a maximum of 1% of the average book value of applicable fixed income investments, is allocated to a provision for capital losses and any actual losses realized are charged against the provision.

(ii) Non-fixed income investments:

Where valuation information is available, which is considered by management to be reliable, non-fixed income investments are adjusted to reflect the change in their values. One-half of any unrealized appreciation is taken into income in the year and the balance is credited to the provision for valuation declines. In any year that the valuations decrease, the whole of the decrease is charged to the provision. The portion of any valuation decline exceeding the provision balance is charged to income. When an investment is sold, the balance in the provision pertaining to the investment sold is transferred to income.

(a) Direct natural resource investments:

Direct natural resource investments are valued at cost plus or minus the Fund's share of retained earnings or deficit.

(b) Real estate acquired through mortgage defaults:

Properties taken over by the Fund as a result of mortgage defaults are recorded at cost. The Fund is in the process of disposing of these properties.

(C) Pension indexing adjustment reserve:

An allocation of teachers' contributions is made to the reserve in accordance with the Act. Interest is allocated to the reserve on the basis of the average rate earned by the Fund on all fixed income investments in the Fund.

Cost of living pension adjustment payments are calculated effective July 1 in each year and are based on the lesser of the increase in the Canadian Consumer Price Index for the preceding calendar year, or the amount, determined by an actuarial review, that could be paid without resulting in an unfunded liability in the reserve.

(D) Actuarial valuation:

The financial statements do not reflect the financial position of the Fund on an actuarial valuation basis. In accordance with the Act, an actuarial valuation and report is required every 3 years. The most recent actuarial report as at January 1, 1990, disclosed a surplus of $60,050,244 compared to a surplus of $29,412,601 at January 1, 1987.

(E) Provision for Fund's share of employees' pension benefits:

Employees of The Teachers' Retirement Allowances Fund Board are pensionable under The Civil Service Superannuation Fund. A portion of the Fund has been allocated to provide for the employer's share of the accrued liability for its employees' pension benefits. An Actuarial valuation and report of the Fund's liability to the Civil Service Superannuation Fund is prepared every three years. This report also provides a formula to update the liability on an annual basis. The most recent actuarial report as at December 31, 1989 indicated that the liability of the Fund on an indexed basis, was $762,200. Transactions affecting the Provision in 1990 and 1989 were as follows:

	1990	1989
Balance, beginning of year............	$773,756	$680,070
Required employer contributions charged to administrative expenses........	43,112	36,537
Interest allocated from investment income..........................	83,179	78,208
	900,047	794,815
Less: Fund's share of pension payments....................	21,758	21,059
Balance, end of year..................	$878,289	$773,756

(F) Computer and office equipment:

Computer equipment, office equipment and software acquisitions are capitalized and amortized on a straight line basis over five years.

3. **Money Purchase Account:**

The Teachers' Retirement Allowances Fund Board has established rules for the Money Purchase Account in accordance with Section 74 of The Teachers' Pensions Act. Under these rules, eligible individuals may transfer to the Money Purchase Account an amount from the Fund, the pension plan of a prior employer, or a locked-in registered retirement savings plan, to provide for an annuity or other settlement in the future. The Money Purchase Account is accounted for separately by the Board. The Board charges an annual administrative fee of 1% of the average value of the assets in the plan. The accumulated value of the eligible individual's account, upon election of an annuity under the Money Purchase Account, is transferred to the Teachers' Basic Benefit Reserve.

4. **Proceeds from Sale of Assets:**

The failure of the Canadian Commercial Bank in 1985 resulted in the write down of the Fund's investment in that bank to $1. Legal action taken on behalf of the Fund produced a partial return of capital of $180,595 in 1989. There were no returns of capital in 1990.

**MEYERS
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R.A. MEYERS, F.C.A.
R.D. BAKER, C.A.

20th June 1991

AUDITORS' REPORT

The Board Members
Turtle Mountain Conservation District No. 4

We have audited the balance sheet of Turtle Mountain Conservation District No. 4 as at 31st March 1991 and the statements of operations and surplus for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at 31st March 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny & Co.

Chartered Accountants

STATEMENT 1

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

BALANCE SHEET AS AT 31ST MARCH 1991

	1991	1990
ASSETS		
CURRENT ASSETS		
Cash	67,061	69,987
Accounts receivable (Note 4)	87,589	4,443
Inventory	3,410	2,924
	158,060	77,354
FIXED ASSETS (Note 5)	40,139	31,348
	198,199	108,702
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	6,281	1,037
Unearned revenue	96,456	28,498
	102,737	29,535
SURPLUS		
GENERAL BOARD PROGRAM (STATEMENT 2)	74,180	54,078
SUB-DISTRICT PROGRAM (STATEMENT 3)	13,947	16,689
EQUIPMENT PROGRAM (STATEMENT 4)	7,335	8,400
	95,462	79,167
	198,199	108,702

STATEMENT 2

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT OF OPERATIONS AND SURPLUS - GENERAL BOARD PROGRAM

FOR THE YEAR ENDED 31ST MARCH 1991

	1991	1990
REVENUE		
Municipal levies	35,391	26,540
Province of Manitoba	120,859	121,200
Land rental	1,969	2,230
Direct charges	155	575
Soils committee	37,480	9,449
Program revenue	-	380
Recreation committee	545	152
Metigoshe Natural Area	6,285	5,405
Canada Creek	-	30,539
Miscellaneous	2,724	1,984
Interest	5,836	3,905
Farming For Tomorrow	14,289	-
	225,533	202,359
Transfer from equipment program	4,202	5,307
	229,735	207,666
EXPENSES		
Administrative - general	32,132	39,459
- local	1,250	415
Board and committee remuneration	10,009	10,449
Depreciation - office equipment	169	59
- program support	29	29
Program support assistance	4,113	3,008
Direct expenses	155	482
District supervisor - salary	30,811	29,059
- expenses	1,772	4,227
Public relations	50	296
Professional education and development	173	572
	80,663	88,055
Special programs:		
Demonstration programs	449	1,103
Canada Creek	-	35,539
Forage seed assistance	68,700	35,397
Gully stabilization	53	913
Metigoshe Natural Area	6,286	5,405
Public education	14,687	10,637
Recreation committee	264	2,361
Road allowance program	6,655	3,416
Shelter belt program	13,439	7,171
Wildlife Habitat Improvement Program	18,387	9,650
Wildlands	50	50
	128,970	111,642
	209,633	199,697
EXCESS OF REVENUE OVER EXPENSES	20,102	7,969
SURPLUS - BEGINNING OF YEAR	54,078	46,109
SURPLUS - END OF YEAR	74,180	54,078

STATEMENT 3

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT OF OPERATIONS AND SURPLUS - SUB-DISTRICT PROGRAM

FOR THE YEAR ENDED 31ST MARCH 1991

	Upper Pembina #59	Waskada Creek #65	Medora Creek #66	Chain Lakes #67	Elgin Creek #68	Total 1991	Total 1990
REVENUE							
Municipal levies	7,804	8,592	10,410	2,792	9,254	38,852	38,852
Province of Manitoba	15,203	10,764	72,355	1,548	23,658	123,528	122,919
Municipal grant			3,500			3,500	
Landowner	553			70		623	4,568
Farming for Tomorrow			6,000			6,000	
	23,560	19,356	92,265	4,410	32,912	172,503	166,339
EXPENSES							
Runway stabilization	12,113	11,664	184	1,042	295	25,298	90,361
Water Storage	8,711	2,687	106,094	1,206	4,697	123,395	78,405
Derksen - Heide Dam					26,552	26,552	
	20,824	14,351	106,278	2,248	31,544	175,245	168,766
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	2,736	5,005	(14,013)	2,162	1,368	(2,742)	(2,427)
SURPLUS (DEFICIT) - BEGINNING OF YEAR	889	(2,803	15,955	3,155	(507)	16,689	19,116
SURPLUS - END OF YEAR	3,625	2,202	1,942	5,317	861	13,947	16,689

STATEMENT 4

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT OF OPERATIONS AND SURPLUS - EQUIPMENT PROGRAM

FOR THE YEAR ENDED 31ST MARCH 1991

	1991	1990
REVENUE		
Equipment revenue	18,901	14,941
Farming For Tomorrow	1,700	-
	20,601	14,941
EXPENSES		
Repairs and maintenance	9,434	4,951
Depreciation	5,530	5,292
Leases	2,500	-
	17,464	10,243
Transfer to general board program	4,202	5,307
	21,666	15,550
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(1,065)	(609)
SURPLUS - BEGINNING OF YEAR	8,400	9,009
SURPLUS - END OF YEAR	7,335	8,400

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1991

NOTE 1 - PURPOSE

The purpose of the Turtle Mountain Conservation District #4 is to promote, support, and assist in research and action programs, to aid in the conservation of the natural resources of the district and to make the public aware of its efforts to achieve these goals.

NOTE 2 - ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with generally accepted accounting principles except that land acquired for conservation purposes is expensed in the year in which expenditures are made. Land is not shown as a fixed asset.

NOTE 3 - ACCOUNTING POLICIES

Revenue Recognition

Revenues are recognized in the year that the related expenses are incurred. Grants received and not applied in the current year are recorded as unearned revenue on the balance sheet and recognized with related expenses in future periods.

Inventory

Inventory is valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method.

Fixed Assets and Depreciation

Fixed assets are recorded at cost. Depreciation is recorded on the straight line basis at the following annual rates:

Office equipment	15%
Program support equipment	10%
Field equipment	
- tractor	15%
- other	10%

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1991

NOTE 4 - ACCOUNTS RECEIVABLE

The accounts receivable are composed of the following:

	1991	1990
Trade accounts	21,066	4,189
Province of Manitoba	692	254
Municipal levies (1991/1992)	65,831	
	87,589	4,443

NOTE 5 - FIXED ASSETS

	Balance Beginning of Year	Additions	Disposals	Balance End of Year
Fixed Assets				
Office equipment	2,958			2,958
Program support equipment	367			367
Field equipment				
- tractor	25,334			25,334
- other	16,848	14,519		31,367
	45,507	14,519		60,026
Accumulated Depreciation				
Office equipment	2,004	169		2,173
Program support equipment	307	29		336
Field equipment				
- tractor	6,967	3,800		10,767
- other	4,881	1,730		6,611
	14,159	5,728		19,887
Net Book Value	31,348			40,139

AUDITOR'S REPORT

To the Board of Directors of the Turtle River Watershed Conservation District:

I have audited the balance sheet of Turtle River Watershed Conservation District as at March 31st, 1991 and other statements, being Exhibits "B" to "G" inclusive which covers the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these finanical statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Watershed as at March 31st, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

F.D. Zaplitny,
Chartered Accountant

DAUPHIN, Manitoba
June 11th, 1991

EXHIBIT "A"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

BALANCE SHEET
As at March 31st, 1991 and 1990

	1991	1990
ASSETS		
Current Assets -		
Cash	$ 33,835	
Short Term Investments	34,459	35,562
Accounts Receivable	45,483	28,123
Prepaid Expenses	558	814
Inventory	195,113	186,520
Total Current Assets	309,448	251,019
Fixed Assets at Book Value - Note 2	70,240	79,877
Total	$ 379,688	330,896
LIABILITIES		
Current Liabilities -		
Bank Overdraft	$	630
Accounts Payable	57,742	2,776
Labour Crew Surcharge	2,110	5,409
Prepaid Grant		3,000
Total Current Liabilities	59,852	11,815
Watershed Accounts -		
General Board Program - Exhibit "B"	257,712	259,508
Emergency Reserve Account - Exhibit "C"	58,676	60,526
Equipment Account - Exhibit "E"	3,150	(602)
Soil Management Account - Exhibit "F"		(1,416)
Government of Canada Account - Exhibit "G"	298	1,065
	319,836	319,081
Total	$ 379,688	330,896

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "B"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

STATEMENT OF GENERAL BOARD PROGRAM ACCOUNT REVENUE AND EXPENDITURE
For the Periods Ended March 31st, 1991 and 1990

	1991	1990
Revenue -		
Municipal Levies	$ 70,279	70,279
Province of Manitoba Allocated Grant	416,688	486,610
Interest Earned	10,179	8,569
Farmer Assistance	5,241	5,599
Miscellaneous	2,068	9,625
Municipal Grants	57,447	82,457
PFRA Contract	29,000	7,800
Transfer from Agri Food Fund	142	611
Transfer from Government of Canada Fund	767	
Transfer from Land Development Reserve	2,191	2,162
Transfer from Flood Protection Reserve	8,557	
Transfer from Equipment Reserve		2,000
Transfer from Prepaid Grants	3,000	
Transfer from Truck Reserve		3,395
Grants - Other	47,511	22,355
Dinner Revenue	548	300
	653,618	701,762
Expenditures -		
Administration	22,918	18,433
Remuneration	25,074	27,904
Wages and Benefits	79,446	75,694
Rent	2,250	1,853
Public Education	8,530	10,362
Forage Assistance	13,793	21,227
Career Start	3,005	4,386
Staff Expenses	9,068	12,098
Miscellaneous Bridge and Culvert Repairs	68,983	58,143
Brushing and Spraying	59,486	46,176
Crossing Replacement	38,178	103,352
Land Purchase	43,880	21,347
PFRA Contract	29,767	6,736
Recreation Project	1,554	28,678
Gully Stabilization	20,365	2,493
Water Quality Monitoring	1,986	NIL
Drain Cleanouts	110,466	156,287
Hansen Creek Reconstruction	18,683	16,989
Land Development Expense	2,191	6,162
Grassed Waterway Program	12,619	5,433
Alluvial Fan Works	38,475	16,793
Dinner Expense	590	309
Depreciation Expense - 100% Board	17,381	12,188
Flood Protection	8,557	NIL
Other Projects and Programs	8,603	15,566
Program Evaluation	2,916	1,593
	648,764	670,202
Revenue Over/Under Expensitures - Forward	$ 4,854	31,560

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "B"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

STATEMENT OF GENERAL BOARD PROGRAM ACCOUNT REVENUE AND EXPENDITURE
For the Periods Ended March 31st, 1991 and 1990

	1991	1990
Revenue Over/Under Expenditures - Forward	$ 4,854	31,560
Transfer to Government of Canada Fund		1,064
Transfer to Flood Projection Reserve	7,897	7,392
Transfer to Emergency Reserve	1,000	
	8,897	8,456
Revenue Over/Under Expenditures	(4,043)	23,104
Add: Opening Balance	259,508	236,404
Closing Balance before Inventory Adjustment	255,465	259,508
Inventory Adjustment	2,247	
Closing Balance	$ 257,712	259,508

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "C"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

STATEMENT OF EMERGENCY RESERVE ACCOUNT
For the Periods Ended March 31st, 1991 and 1990

	1991	1990
Amount at Opening	$ 60,526	57,297
Transfer from General Board Program Account -		
Flood Protection	(659)	7,392
Emergency Reserve	1,000	
Land Development	(2,191)	(2,163)
Equipment Reserve		(2,000)
Amount at Closing	$ 58,676	60,526

EXHIBIT "D"

STATEMENT OF PROVINCE OF MANITOBA GRANT ACCOUNT
For the Periods Ended March 31st, 1991 and 1990

	1991	1990
Grant Received	$ 416,688	486,610
Less - Allocations to Watershed Programs:		
General Board Program	416,688	486,610
	$ NIL	NIL

EXHIBIT "E"

STATEMENT OF EQUIPMENT ACCOUNT REVENUE AND EXPENDITURE
For the Periods Ended March 31st, 1991 and 1990

	1991	1990
Truck Revenue	$ 13,160	11,606
Tool Revenue	1,976	1,121
Sprayer Revenue	830	1,869
Tractor, Disc & Harrows Revenue	5,231	
	21,197	14,596
Expenses -		
Truck	12,855	12,772
Tools	1,262	662
Trailer	165	279
Tractor	3,163	
	17,445	13,713
Revenue Over/Under Expenditures	3,752	883
Amount at Opening	(602)	(1,485)
Amount at Closing	$ 3,150	(602)

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "F"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

SOIL MANAGEMENT PROJECT - REVENUE AND EXPENDITURES
For the Years Ended March 31st, 1991 and 1990

	District Board	Govt. of Can.	Prov. of Man.	Total 1991	Total 1990
Revenue -					
Grants Received	$	16,781	(1,037)	15,744	28,638
Equipment					1,042
		16,781	(1,037)	15,744	29,680
Expenditures -					
Administration		250	313	563	2,347
Extension		96	2,429	2,525	4,368
Field Demonstration		258		258	7,288
Equipment					9,090
Producer Incentives		10,840		10,840	8,463
		11,444	2,742	14,186	31,556
Revenue Over(Under) - Expenditures		5,337	(3,779)	1,558	(1,876)
Amount at Opening		(5,253)	3,837	(1,416)	1,069
		84	58	142	(807)
Transfer to Board Fund		(84)	(58)	(142)	(609)
Amount at Closing	$ NIL	NIL	NIL	NIL	(1,416)

EXHBIIT "G"

GOVERNMENT OF CANADA ACCOUNT
For the Year Ended March 31st, 1991 and 1990

	1991	1990
Revenue	$ 29,000	7,800
Expenditures	29,767	6,735
Revenue over Expenditures	(767)	1,065
Amount at Opening	1,065	NIL
Amount at Closing	$ 298	1,065

(The accompanying notes are an integral part of these financial statements)

TURTLE RIVER WATERSHED CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
March 31st, 1991

1. Accounts Receivable of the District are made up of the following:

		1991	1990
Municipal Grants and Levies	$	21,451	19,616
Conservation District Authority			1,357
Other		24,032	7,150
Total	$	45,483	28,123

2. Fixed Assets of the District are normally recorded at cost. The exception to this policy is those Assets purchased under the Federal Provincial Soil Management Project. Because these assets are not subject to depreciation, they are expenses in the year of purchase.

   Depreciation on District Assets purchased in the normal course of affairs is provided as follows:

Computer	20% Straight Line
Office Equipment	15% Straight Line
Fence	5% Straight Line
Truck	25% Straight Line
Trailer	20% Straight Line
Tools	20% Straight Line
Building	4% Straight Line
Sprayer	20% Straight Line
Drill	20% Straight Line
Tractor, Disc, Harrows	20% Straight Line

		Cost	Accumulated Depreciation	1991 Book Value	1990 Book Value
Office Equipment	$	6,019	1,159	4,860	6,019
Drill		10,000	2,000	8,000	10,000
Tractor,Disc,Harrows		4,950	990	3,960	4,950
Fence		4,863	1,621	3,242	3,485
Trucks		28,427	16,981	11,446	18,553
Trailer		3,745	2,247	1,498	2,247
Tools		17,167	6,256	10,911	5,295
Labor Crew Building		24,973	2,997	21,976	22,975
Sprayer		10,031	5,684	4,347	6,353
	$	110,175	39,935	70,240	79,877

3. Accounts Payable of the District are made up as follows:

	1991	1990
Province of Manitoba	$ 52,655	
Trade	2,342	31
Land Aquisition	2,745	2,745
	$ 57,742	2,776

**Office of
the Provincial Auditor**

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of The Universities Grants Commission as at March 31, 1991 and the statement of operating revenues and expenditures for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2 reflects that the Commission's unfunded pension liability as at March 31, 1991 was $334,752. Had this unfunded pension liability and the associated pension costs been recorded in the financial statements, the Commission's liabilities would have increased by $334,752, the universities grants fund would have decreased by that amount, and the Commission's pension costs would have increased by $37,727 for the year ended March 31, 1991.

In our opinion, except for the failure to record the information referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Fred H. Jackson

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
July 11, 1991

EXHIBIT A

THE UNIVERSITIES GRANTS COMMISSION

Balance Sheet
as at March 31, 1991
(with 1990 figures for comparison)

	1991	1990
ASSETS		
Cash on hand and in bank	$ 816,033	$ 462,070
Grants receivable from the Government of the Province of Manitoba	27,481	14,182
	$ 843,514	$ 476,252
LIABILITIES		
Accounts payable:		
New Program Funding	$ 212,954	$ 295,000
Grants	395,000	54,432
Other	2,497	1,294
Funds held on behalf of The Canadian International Development Agency	0	1,441
	$ 610,451	$ 352,167
The Universities Grants Fund:		
Balance, beginning of year	$ 124,085	$ 131,292
Revenues over (under) expenditures, Exhibit B	108,978	(7,207)
Balance, end of year	$ 233,063	$ 124,085
	$ 843,514	$ 476,252

EXHIBIT B

THE UNIVERSITIES GRANTS COMMISSION

Statement of Operating Revenues and Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Revenues:		
Government of the Province of Manitoba grants:		
Revenue appropriation:		
Department of Education	$ 206,755,474	$197,285,157
Department of Highways and Transportation	0	240,000
Loan Act - 1989	846,911	0
	207,602,385	197,525,157
Interest Income	71,921	34,657
Total revenues	207,674,306	197,559,814
Expenditures:		
Operating grants (Notes 2.B and 3)	193,548,080	185,745,600
Major capital project grants (Note 4)	2,733,000	500,000
University of Manitoba - Tunnel	846,911	0
Universities Development Fund (Note 5)	4,000,000	4,000,000
Renovations and Equipment (Note 6)	4,266,980	5,000,000
Access Fund (Note 7)	785,606	696,109
Administrative and other, Schedule 1	340,631	381,823
New Program Funding	65,000	0
	206,586,208	196,323,532
Support programs:		
Computer network	641,060	600,000
Less: Recoveries from the Department of Education	232,340	197, 511
	408,720	402,489
Inter-Universities program in Northern Manitoba	504,400	485,000
Chair in Women's Studies	66,000	66,000
New Program Funding	0	290,000
	979,120	1,243,489
Total expenditures	207,565,328	197,567,021
Revenues over (under) expenditures, Exhibit A	$ 108,978	$ (7,207)

Notes to Financial Statements
for the year ended March 31, 1991

1. Nature of Operations

The Universities Grants Commission was established by an Act of the Legislature passed in 1967 and is composed of nine members appointed by the Lieutenant-Governor-in-Council.

Primarily, the commission receives grants from government for operating and capital purposes of the Universities, which funds flow though the Commission directly to the Universities. These funds are received through the annual appropriations of the Department of Education and are cash flowed over a twelve month period to the institutions.

2. Accounting Policies

A. The Universities Grants Commission's annual financial statements are prepared using the accrual basis of accounting except for interest on cash balances, expenditures on leasehold improvements and equipment purchases, and pension payments. The financial statements do not include accruals for vacation pay or salaries of commission staff. Interest on cash balances is taken into account in the year that it is received. Leasehold improvements and equipment purchases are charged to expenditures in the year of acquisition. Pension payments are charged to expenditures as the payments are made under the provisions of The Manitoba Civil Service Superannuation Act.

B. Operating and capital grants to the Universities reflect expenditures to the Universities for their annual operations and approved capital projects. Annual operating grants are paid on a scheduled basis to meet the Universities' operating requirements; capital grants are paid after expenditures have been incurred and claimed.

C. In accordance with the provisions of The Manitoba Civil Service Superannuation Act, the Commission contributes 50% of the pension payments made to retired employees. A provision is not made in the accounts to fund current or past service obligations of the Commission to The Civil Service Superannuation Fund. On the basis of an actuarial report, the unfunded liability on an indexed basis for the Commission's employees amounted to $334,752 as at March 31, 1991 (1990 - $297,025).

3. Operating Grants

	1991	1990
The University of Manitoba	$ 154,783,353	$148,495,863
The University of Winnipeg	21,002,800	20,195,000
Brandon University	13,893,939	13,335,518
Collège universitaire de Saint-Boniface	3,867,988	3,719,219
	$ 193,548,080	$185,745,600

SCHEDULE 1

THE UNIVERSITIES GRANTS COMMISSION

Schedule of Administrative and Other Expenditures
for the year ended March 31, 1991
(with 1990 figures for comparison)

	1991	1990
Automobile and travelling	$ 5,530	$ 11,242
Course and membership fees	439	8,018
Expenditures for Immigrant Credentials Committee	7,043	0
Furniture and equipment	8,595	18,038
Office rental	37,144	33,178
Postage and telephone	4,132	5,316
Printing and stationery supplies	7,161	3,473
Professional fees	6,770	23,550
Remuneration of Commission members	16,795	21,972
Salaries and employee benefits	241,524	251,137
Subscriptions	2,219	1,905
Sundry	3,279	3,994
Total administrative and other expenditures, Exhibit B	$ 340,631	$ 381,823

THE UNIVERSITIES GRANTS COMMISSION

Notes to Financial Statements
for the year ended March 31, 1991

4. Major Capital Project Grants

	1991	1990
The University of Manitoba	$ 1,000,000	$ 500,000
The University of Winnipeg	900,000	0
Brandon University	500,000	0
Collège universitaire de Saint-Boniface	333,000	0
Total	$ 2,733,000	$ 500,000

5. Universities Development Fund Grants

	1991	1990
The University of Manitoba	$ 2,650,000	$ 2,000,000
The University of Winnipeg	1,000,000	700,000
Brandon University	100,000	1,200,000
Collège universitaire de Saint-Boniface	250,000	100,000
Total	$ 4,000,000	$ 4,000,000

6. Renovations & Equipment

	1991	1990
The University of Manitoba	$ 3,328,260	$ 3,900,000
The University of Winnipeg	529,108	620,000
Brandon University	315,738	370,000
Collège universitaire de Saint-Boniface	93,874	110,000
Total	$ 4,266,980	$ 5,000,000

7. Access Fund Grants

	1991	1990
Inter-Universities North & First Year Distance Education	$ 137,345	$ 250,000
The University of Manitoba	308,261	149,032
The University of Winnipeg	165,000	164,310
Brandon University	135,000	0
Collège universitaire de Saint-Boniface	40,000	90,250
Canadian National Institute for the Blind	0	42,517
Total	$ 785,606	$ 696,109

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Board of Governors of The University of Manitoba

To the Lieutenant Governor in Council

To The Legislative Assembly of Manitoba

We have audited the comparative statement of financial position of The University of Manitoba as at March 31, 1991 and the comparative statements of changes in fund balances and university investment in fixed assets for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 1991 and the changes in fund balances and investment in fixed assets for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements.

Fred H Jackson
F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
August 1, 1991

FINANCIAL STATEMENTS

The University of Manitoba
Comparative Statement of Financial Position
as at March 31, 1991 and March 31, 1990

Statement A

Assets

	1991	*1990*
Cash and Bank, Less Outstanding Cheques	$ 5,801,471	$ 9,709,448
Marketable Investments for General Purposes (Note 1j)	29,631,010	22,608,685
Receivable from the Universities Grants Commission	2,032,007	781,536
Accounts Receivable:		
General	8,188,108	6,642,658
Research and Special	6,118,056	3,947,729
Inventories (Note 1k)	3,046,505	2,829,156
Prepaid Expenditures	60,727	20,350
Discount on Debentures	438,500	438,500
	55,316,384	46,978,062
Investments Held for Specific Purposes (Note 1j)	48,870,461	40,098,755
Funds on Deposit with The Great West Life Assurance Company for Staff Benefits	16,748,690	14,076,030
Investment in Subsidiary Company (Note 5)	68,765	64,560
Fixed Assets (Notes 1l and 2)		
Buildings and Sites	53,453,801	47,525,782
Equipment and Furnishings	106,347,383	106,218,879
Library Holdings	42,520,407	39,461,303
Construction in Progress	2,970,226	2,516,235
	205,291,817	195,722,199
	$326,296,117	$296,939,606

Liabilities and Fund Balances

	1991	*1990*
Accounts Payable	$ 16,962,166	$ 16,675,503
Deferred Income	1,672,767	634,590
Lease Obligations	82,298	131,558
	18,717,231	17,441,651
Province of Manitoba-Capital Advance (Note 12)	5,761,374	3,392,115
Debentures Payable: Guaranteed by the Province of Manitoba (Note 11)	9,784,745	9,975,556
Less: Assets on Deposit with the Province of Manitoba for Retirement of Debentures		
Cash	1,232,450	255,128
Investments (Note 1j)	9,719,612	9,668,843
	(1,167,317)	51,585
Fund Balances:		
General Fund:		
General Operating (Note 1d)	1,026,494	808,523
Research and Special (Note 1e)	19,639,171	16,685,517
Specific Provisions (Note 1f)	13,008,985	9,652,024
Capital Purpose (Notes 1g and 3)	(126,868)	(380,967)
	33,547,782	26,765,097
Staff Benefits (Note 1h)	16,748,690	14,076,030
Trust and Endowment (Note 1i)	51,565,638	42,563,137
	101,862,110	83,404,264
Equity in Subsidiary Company (Note 5)	68,765	64,560
Investment in Fixed Assets (Notes 1l and 2)	201,053,954	192,585,431
	$326,296,117	$296,939,606

APPROVED BY THE BOARD OF GOVERNORS

David G. Malaher

D. Malaher - Chairman of the Board of Governors

W. Mitchell - Vice-Chairman of the Board of Governors

(The Accompanying Notes form an integral part of the Financial Statements)

Comparative Statement of Changes in Fund Balances
for the years ended March 31, 1991 and March 31, 1990

Statement B	*General Fund*			
	General Operating Fund Account (Note 1d)	*Research and Special Fund Account (Note 1e)*	*Specific Provisions Fund Account (Note 1f)*	*Capital Purpose Fund Account (Note 1g & 3)*
Revenues and Other Additions:				
Tuition and Related Fees	$ 32,970,790	$	$	$
Contributions, Donations, Non-Government Grants and Loan Financing	78,000	25,929,858		
Investments	4,949,542			
Overhead Recovery	30,881			
Miscellaneous	105,396			95,398
Province of Manitoba	760,800			
Government Grants:				
Universities Grants Commission	158,163,306	982,897		5,391,363
Other		49,191,085		
Ancillary Enterprises	24,168,204			
	221,226,919	76,103,840		5,486,761
Expenditures and Other Deductions:				
Academic	132,821,001	68,189,047		
Other Academic	11,921,615	1,984,492		
Libraries	12,370,578	209,581		
Student Services	3,151,665	895,213		
Administration	10,651,638	176,709		
Plant Maintenance	22,266,723	3,327		
General	2,187,788	9,605		
Scholarships, Bursaries and Prizes	171,282	993,170		
Interest and Miscellaneous				
re: Debentures	615,044			
Capital Advance	343,452			
Appropriated for Retirement of Debentures, Special Advance and Capital Advance	1,305,388			
Ancillary Enterprises	24,060,407			
Capital Expenditures				5,502,777
Non-Insured Benefits Provision - Contra	(2,054,957)	(314,031)		
	219,811,624	72,147,113		5,502,777
Inter-Fund Transfers	1,845,606	(689,042)		270,115
Net Revenues and Other Additions before Appropriations	3,260,901	3,267,685		254,099
Appropriated - Specific Provisions (Note 1f)	(3,042,930)	(314,031)	3,356,961	
Net Revenues and Other Additions	217,971	2,953,654	3,356,961	254,099
Balances Beginning of the Year	808,523	22,497,632	9,652,024	(380,967)
Adjustment for Research & Special Fund Account (Note 1e)		(5,812,115)		
Balances Beginning of the Year, Restated	808,523	16,685,517	9,652,024	(380,967)
Balances End of the Year, Statement A	$ 1,026,494	$ 19,639,171	$ 13,008,985	$ (126,868)

Staff Benefits Fund (Note 1h)	Trust and Endowment Fund (Note 1i)	Total Funds 1991	Total Funds 1990
$	$	$ 32,970,790	$ 29,893,349
1,200,143	7,229,669	34,437,670	29,384,190
3,044,127	4,794,664	12,788,333	10,004,294
		30,881	60,816
	28,072	228,866	574,220
		760,800	
		164,537,566	156,756,066
		49,191,085	45,806,036
		24,168,204	23,424,620
4,244,270	12,052,405	319,114,195	295,903,591
		201,010,048	184,420,776
		13,906,107	14,582,326
		12,580,159	11,360,155
		4,046,878	3,489,352
		10,828,347	10,021,537
		22,270,050	22,058,690
1,571,610	1,234,408	5,003,411	4,164,922
	346,217	1,510,669	1,902,770
		615,044	608,997
		343,452	368,946
	42,600	1,347,988	1,185,905
		24,060,407	23,602,400
		5,502,777	3,525,376
		(2,368,988)	(1,462,194)
1,571,610	1,623,225	300,656,349	279,829,958
	(1,426,679)		
2,672,660	9,002,501	18,457,846	16,073,633
2,672,660	9,002,501	18,457,846	16,073,633
14,076,030	42,563,137	89,216,379	73,142,746
		(5,812,115)	
14,076,030	42,563,137	83,404,264	73,142,746
$ 16,748,690	$ 51,565,638	$101,862,110	$ 89,216,379

(The Accompanying Notes form an integral part of the Financial Statements.)

Comparative Statement of University Investment in Fixed Assets for the years ended March 31, 1991 and March 31, 1990

Statement C

	1991	*1990*
Additions:		
Fixed Assets,Net of Disposals	$ 17,876,661	$ 17,238,460
Principal Payments on Debt Retirement Net of Discount	190,811	179,899
Appropriated for Debt Retirement		
-Province of Manitoba Capital Advance	277,296	251,801
-University Sinking Fund	1,028,092	894,503
	19,372,860	18,564,663
Deductions:		
Appraisal Equipment Written-off	8,257,783	8,257,783
Capital Advance Province of Manitoba	2,646,554	
Net Change in the Year	8,468,523	10,306,880
Balance Beginning of the Year	192,585,431	182,278,551
Balance End of the Year, Statement A	$201,053,954	$192,585,431

(The Accompanying Notes form an integral part of the Financial Statements.)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a. General

The financial statements have been prepared to conform with accounting principles for universities as described in the "Guide to Accounting Principles, Practices and Standards of Disclosure for Universities and Colleges of Canada", published by the Canadian Association of University Business Officers.

b. Fund Accounting

The University classifies resources used for various purposes into separate Fund Accounts which correspond to its major activities and objectives. The Comparative Statement of Financial Position combines the assets and liabilities of all Funds.

The University maintains its accounts with specific assets and liabilities segregated into a General Fund, a Staff Benefits Fund and a Trust and Endowment Fund. The General Fund is further divided into Fund Accounts for General Operating, Research and Special Purposes, Specific Provisions, and Capital Purposes. The Staff Benefits Fund is further divided into Fund Accounts for Benefit Improvement and Maintenance, Self-Insured Income Disability Plan and Group Insurance Experience Refunds.

c. Accrual Accounting

The accrual basis of accounting is utilized for additions to and deductions from fund balances except that no provision is made in the Financial Statements for depreciation on plant assets, accrued vacation pay or accrued interest on short term operating fund investments and on debenture debt.

d. General Operating Fund Account

The General Operating Fund Account of the University includes the academic, administrative, operational and ancillary costs that are funded by fees, grants, ancillary income and other income. The net cost of operating units is determined by deducting cost recoveries that have been generated, from total expenditures.

All funds received or accrued by the University for general operating purposes, for the interest portion of debenture financing, and for renovation and equipment expenditures are shown in the General Operating Fund Account. Funds received for the principal portion of debenture payments applicable to debt retirement are shown in the Statement of University Investment in Fixed Assets.

The University bookstore, food services, student residences and parking are classified as Ancillary Enterprises and are budgeted on a break-even basis. Any surpluses or deficits are included in the General Operating Fund Account. Overhead costs have been allocated to all ancillary operations. The replacement or improvement of fixed assets for these ancillaries is funded by an annual appropriation to a Specific Provisions Fund Account.

e. Research and Special Fund Account

The Research and Special Fund Account consists of funds specifically identified for research or related special activities. These funds are provided from both federal and provincial granting agencies and other public and private sources.

Prior to the current fiscal year, all funds authorized by grantors for the immediately succeeding year, were reflected as receivables in the financial statements. Commencing with the current fiscal year, only those funds against which the work has been completed are set up as receivables at year-end. This change results in a reduction in accounts receivable on account of research projects as at March 31, 1991 of $6,284,045. For comparative purposes, the prior year's presentation has been revised to be consistent with the current year.

f. Specific Provisions Fund Account

The Specific Provisions Fund Account records appropriations made from (to) the General Operating Fund Account.

These appropriations are to guarantee future funding for the replacement or improvement of fixed assets, or other designated University programs. Such appropriations are shown on the Comparative Statement of Changes in Fund Balances.

During the year staff benefit charges included a 1.5% assessment of pensionable earnings to provide funds for future early retirement requirements.

g. Capital Purpose Fund Account

The Capital Purpose Fund Account consists of grants, gifts, interest and authorized capital borrowings, received and expended for the purpose of acquiring capital assets.

h. Staff Benefits Fund

Benefit Improvement and Maintenance:

This Fund Account is used for special payments towards any unfunded liability of the University of Manitoba Pension Plan (1970), staff benefit improvements and for other uses at the discretion of the Board of Governors after consultation with the Staff Benefits Committee. Funds received from the Great-West Life Assurance Company as experience refunds relating to the University's former pension plan are credited to this Fund Account. Also credited to this Fund Account are the Unemployment Insurance Commission premium savings resulting from the extended sick leave coverage provided by the University.

Self-Insured Income Disability Plan:

This Fund Account is used for long-term disability benefit payments arising on or after June 1, 1981, for eligible staff. Subject to reserve amounts established on the basis of actuarial reviews, this Fund Account may be used at the discretion of the Board of Governors of the University.

An actuarial valuation of the Long Term Disability Income Plan was completed as at March 31, 1990. The Plan contains two funds; one for the payment of Basic Benefits and another for the payment of the Cost-of-Living Benefits. The actuarial valuation showed a deficit of $2,030,486 for the Basic Benefits portion and a surplus of $71,035 for the Cost-of-Living Benefits portion. An amount of $1,000,000 has been transferred in the subsequent year from the Group Insurance Experience Refund Account to liquidate in part, the deficit.

Group Insurance Experience Refunds:

This Fund Account is used for the support of current and future staff benefit programs, as determined by the Board of Governors following consultation with the Staff Benefits Committee. Experience refunds from The Great-West Life Assurance Company related to the group insurance plans, are credited to this Fund Account.

i. Trust and Endowment Fund

The Trust and Endowment Fund consists of gifts and bequests received with the stipulation that these funds be invested and the income earned be utilized for designated purposes. The University Investment Trust Fund is pooled for investment purposes.

Within the University Investment Trust Fund individual capital accounts are unitized, in order to improve the protection of the real value of capital balances against inflation and to facilitate the distribution of income based on the number of units. A new market value per unit is determined quarterly. Capital contributions and withdrawals are based on the current quarterly market value per unit.

The University may authorize expenditures for certain programs from the General Operating Fund Account and guarantee funding from the Trust and Endowment Fund. As a result, a transfer from the Trust and Endowment Fund for such expenditures may be made at the end of the fiscal year.

j. **Investments**

General Fund monies are invested in the short term money market when management considers it practical to do so. These investments are carried at cost. Income is recognized at the time of redemption.

Trust and Endowment funds, where specific investment provisions exist, are generally invested in fixed-income securities. Investments are carried at cost, and income is recognized on the cash basis and at time of redemption.

Where there are no specific investment provisions, funds are invested in the University Investment Trust on a pooled basis. These funds are carried at cost, and held in the custody of Canada Trust Company with investments being managed by AMI Partners Inc.. Income, including realized gains and losses, is recognized on the accrual basis, and distributed annually, net of administrative costs and an allocation to a Stabilization Reserve.

The current market value of investments as at March 31, 1991 is $89,736,702 (1990, $71,819,924). Market values are not used in the determination of investment income.

k. **Inventories**

Inventories have been valued at the lower of cost or replacement cost.

l. **Capitalization**

Expenditures on land and buildings owned by the University, construction in progress, furnishings, equipment and library holdings are reflected through the Comparative Statement of Changes in Fund Balances, Statement B, in the year of payment.

Equipment purchased by lease financing is capitalized as a fixed asset in the first year of the lease with an offsetting credit to Lease Obligations. Expenditures against lease financing are shown as operating expenditures in the year of payment with the principal portion being credited to Investment in Fixed Assets.

Library holdings are capitalized based on an evaluation determined as the sum of the following:

1. The volumes on hand at March 31, 1968 at an average price of net volumes added during 1968/69.
2. Total acquisition expenditures from April 1, 1968 to March 31, 1990.
3. A deduction for the value of volumes withdrawn at the weighted average price of volumes added from April 1, 1968 to March 31, 1975.
4. The current value of manuscripts and rare books.

The remaining fixed assets are capitalized at cost except for furnishings and equipment items purchased prior to April 1, 1975, which were capitalized at appraised values totalling $45,773,513. Certain of these appraised assets are recorded in the University's Capital Equipment Inventory. Fiscal year 1991 is the last of a four year period over which the total appraised amount of fixed assets is to be eliminated against the Investment in Fixed Assets.

m. **Pension Costs**

Pension costs are based on the contributions required of the University under the University of Manitoba Pension Plans.

2. CONTRACTUAL COMMITMENTS

Contractual commitments relating to construction in progress amount to $2,444,230 (1990, $1,570,615).

3. CAPITAL PURPOSE FUND

The balance in the Capital Purpose Fund Account represents new building construction costs incurred in excess of contributions received. The funding for these costs will be met from future contributions from the University's Drive for Excellence.

4. PENSION PLANS

The University of Manitoba administers the University of Manitoba Pension Plan (1970) and the University of Manitoba GFT Pension Plan (1986) under the terms of an agreement with the University of Manitoba Pension Plan Trustees. The Trustees are responsible for the custody of the Plan's assets and issuance of annual financial statements, which do not form part of the University's financial statements.

University of Manitoba Pension Plan (1970):

The University matches the regular pension contributions made by employees to the University of Manitoba Pension Plan (1970). These contributions together with the investment income earned on the contributions are applied on retirement to provide an annuity referred to as a money purchase pension. The plan guarantees a minimum pension based on an approved formula encompassing the average of the members' best five years basic salary and years of service. To the extent that a member's money purchase pension is less than the guaranteed amount, the member will receive a supplementary pension, funded by the University General Contribution account, in accordance with the requirements of the regulations under the Pension Benefits Act of Manitoba, to increase the pension to the required level.

University of Manitoba GFT Pension Plan (1986):

The University is the sole contributor to the University of Manitoba GFT Pension Plan (1986). The contributions and interest earned are applied on retirement to provide a money purchase pension for geographical full-time staff of the Faculty of Medicine.

An actuarial valuation of the University of Manitoba Pension Plans was completed during 1990 as of December 31, 1989. The valuation reported that the plans based on then current provisions were fully funded with no requirement for special payments.

The University's cost of contributions to the Plans for the 1990-91 fiscal year was $8,189,954 (1989-90, $7,589,609).

5. INVESTMENT IN SUBSIDIARY COMPANIES

University of Manitoba Research Ltd., incorporated under the Manitoba Corporations Act, is a wholly-owned subsidiary of the University. University of Manitoba Research and Development Corporation is a wholly-owned subsidiary of University of Manitoba Research Ltd.

The University accounts for its investment in accordance with a modification of the equity method by which investments in, and only dividends received or receivable are recorded and reflected in the Comparative Statement of Changes in Fund Balances.

The investment and related equity account in University of Manitoba Research Ltd. and University of Manitoba Research and Development Corporation are summarized as follows:

	1991	1990
Investment Account		
— Shares purchase	$ 200	$ 200
— Contributed surplus	100,000	100,000
— Consolidated deficit	(31,435)	(35,640)
Current value of investment in shares	$ 68,765	$ 64,560
Equity Account	$ 68,765	$ 64,560

Both subsidiary companies were inoperative during the 1990-91 fiscal year.

6. LOAN GUARANTEE

The University of Manitoba under a letter of Guarantee issued to the Canadian Imperial Bank of Commerce undertook to see that a loan made to the University of Manitoba Faculty Club will be repaid by the Faculty Club within a specified time period. The outstanding balance of this loan as at March 31, 1991 is $7,500 (1990, $13,500).

7. CANADIAN UNIVERSITIES RECIPROCAL INSURANCE EXCHANGE

The University of Manitoba is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public liability insurance risks of its members. All members pay annual deposit premiums which are actuarially determined and are subject to further assessment in the event members' premiums and reserves are insufficient to cover losses and expenses. No additional assessment was necessary for the current year.

8. LITIGATION

The University of Manitoba is named as a defendant in litigation where action has commenced or is anticipated. The University's solicitors have reported that there are no significant contingent liabilities arising from these actions.

9. PROPERTY TAXES

Property taxes are not shown in the accounts of the University, as The University of Manitoba Act provides that such property is not subject to taxation. The Government of the Province of Manitoba provided the City of Winnipeg and other municipalities with grants in lieu of taxes of $11,958,657 (1990, $10,201,019).

10. PLEDGES RECEIVABLE

The estimated realizable value of pledges outstanding at March 31, 1991 from the University's Drive for Excellence is $16,861,786 (1990, $20,112,886.) These pledges are expected to be honored during the subsequent 10 year period.

11. DEBENTURES OUTSTANDING

	Principal March 31, 1991	*Oustanding March 31, 1990*
Guaranteed as to Principal and Interest by the Government of the Province of Manitoba:		
Debentures:		
5 1/8% series 1L due June 1 & December 1, 1991-1994	$ 226,718	$ 276,588
5 1/8% series 1N due June 1 & December 1, 1991-1994	318,027	387,968
5 1/2% series 1P due December 15, 1995	3,000,000	3,000,000
5 3/4% series 1Q due February 15, 1992	5,000,000	5,000,000
7 1/2% series 1R due April 15, 1991-2001	1,240,000	1,311,000
	$9,784,745	$9,975,556

12. CAPITAL ADVANCES

Capital advances outstanding from the Government of the Province of Manitoba for major capital reclamation and construction projects are as follows:

Tache Hall Residences - 10 1/8% due March 31, 1992-1999	$3,114,820
Utility Service Tunnel - no schedule of repayment has been prepared by the Province as at March 31, 1991	2,646,554
	$5,761,374

13. COMPARATIVE INFORMATION

Comparative figures for the year ended March 31, 1990, have been restated where necessary to conform with the presentation adopted for March 31, 1991.

SCHEDULES

Schedule 1 Cash and Bank, Less Outstanding Cheques

	March 31, 1991	*March 31, 1990*
General Account:		
Cash on Hand	$ 83,272	$ 75,055
The Scotiabank-General Accounts	3,372,397	7,356,302
	3,455,669	7,431,357
Trust Account:		
Cash on Hand	1,235	1,235
The Scotiabank	2,344,567	2,276,856
Statement A	$ 5,801,471	$ 9,709,448

Schedule 2 Investments

	Par Value	*Market Value*	*March 31, 1991 Book Value*	*March 31, 1990 Book Value*
Bonds and Debentures:				
Government of Canada	$ 5,702,000	$ 5,691,735	$ 5,521,804	$ 5,617,747
Provincial:				
Province of Manitoba	2,305,000	2,375,284	2,267,195	2,194,854
Other	3,827,000	3,869,985	3,855,436	2,875,040
Provincial Guaranteed:				
Province of Manitoba	6,381,000	6,032,602	4,815,804	4,837,375
Other	2,681,000	2,638,723	2,606,000	4,314,750
Municipal	1,100,000	1,093,415	1,061,000	1,061,000
Other	10,445,000	10,481,176	10,287,183	5,617,425
	32,441,000	32,182,920	30,414,422	26,518,191
Equities		6,015,914	6,268,793	4,106,957
Savings Certificates, Term deposits and Treasury Bills	51,801,744	51,537,868	51,537,868	41,751,134
Total Investments	$ 84,242,744	$ 89,736,702	$ 88,221,083	$ 72,376,282
Held For:				
General Purposes, Statement A	$ 29,631,010	$ 29,631,010	$ 29,631,010	$ 22,608,685
Specific Purposes, Statement A	43,195,734	49,029,456	48,870,461	40,098,755
Retirement of Debentures, Statement A	11,416,000	11,076,236	9,719,612	9,668,843
	$ 84,242,744	$ 89,736,702	$ 88,221,083	$ 72,376,283

Schedule 3 Receivable from the Universities Grants Commission

	March 31, 1991	*March 31, 1990*
Major Capital Projects	$ 1,799,643	$ 781,536
Operating	232,364	
Statement A	$ 2,032,007	$ 781,536

Schedule 4 Accounts Receivable-General

Loans to Students and Staff	$ 115,048	$ 93,614
Government Agencies and Hospitals	4,066,331	3,846,219
Book Store Receivables	255,755	131,855
Accountable Advances	114,226	136,524
Payroll Recoveries	90,344	81,394
UIT Interest Receivable	729,124	806,923
Miscellaneous	2,817,280	1,546,129
	$ 8,188,108	$ 6,642,658

Schedule 5 Inventories

	March 31, 1991	*March 31, 1990*
Ancillary Enterprises:		
Book Store	$ 2,357,876	$ 2,222,061
Food Services	238,710	204,555
Stores	151,284	134,636
Departmental:		
Commercial Dairy	77,497	50,741
Pharmacy	68,000	62,252
Printing and Publication Services	55,037	56,721
U of M Press	98,101	98,190
Statement A	$ 3,046,505	$ 2,829,156

Schedule 6 Capital Expenditure on Buildings and Sites

	March 31, 1991	*March 31, 1990*
Agriculture Buildings	$ 69,087	$ 69,087
Arts Buildings	57,532	57,532
Bison Building	53,838	53,838
Dentistry Building(Including Land)	7,190,897	2,624,260
Glenlea Research Station(Including Land)	985,961	985,961
Management/Transport Building	14,061,016	14,061,016
Medicine Buildings (Including Land)	13,827,908	13,655,526
Physical Education Buildings	8,144,408	8,144,408
Science Buildings	94,666	94,666
University Centre Building	7,352,702	7,352,702
Structures Lab	1,029,000	
Other Buildings	586,786	426,786
Statement A	$ 53,453,801	$ 47,525,782

Schedule 7 Construction in Progress

	March 31, 1991	*March 31, 1990*
Dentistry Building	$	$ 2,290,895
Downtown Centre	158,366	52,869
Main Service Tunnel	2,646,553	48,139
University Hall	124,332	124,332
Daycare Centre	40,975	
Statement A	$ 2,970,226	$ 2,516,235

Schedule 8 Accounts Payable

	March 31, 1991	*March 31, 1990*
General	$ 10,098,334	$ 9,501,047
Payroll Liabilities	5,742,159	6,276,011
Capital Projects	475,858	354,802
Province of Manitoba		
-Health and Post Secondary Education Tax Levy	395,361	371,171
-Sales Tax	250,454	172,472
Statement A	$ 16,962,166	$ 16,675,503

Schedule 9 Deferred Income

Government of Canada Grant	$ 237,740	$ 32,809
Province of Manitoba Grant	232,830	536
Other Grant Advances	315,819	260,422
Insurance Claims and Miscellaneous	240,359	340,823
Universities Grants Commision	646,019	
Statement A	$ 1,672,767	$ 634,590

Schedule 10 ***Changes to Research and Special Program Accounts***
for the years ended March 31, 1991 and March 31, 1990

	Balance March 31, 1990	*Income*	*Expenditures*	*Inter-Fund Transfers*	*Balance March 31, 1991*
Sponsored or Assisted Research:					
Government of Canada:					
Social Sciences and Humanities Research Council	$ 471,264	$ 854,847	$ 731,099	$	$ 595,012
Medical Research Council	1,008,647	10,289,742	10,258,628		1,039,761
Miscellaneous	1,567,704	4,709,284	3,796,520	(307,445)	2,173,023
National Health and Welfare	475,931	2,914,868	2,594,797	(5,655)	790,347
Natural Sciences and Engineering Research Council	4,031,029	9,959,076	10,006,334		3,983,771
	7,554,575	28,727,817	27,387,378	(313,100)	8,581,914
Province of Manitoba					
Agriculture	99,615	870,700	851,882	4,800	123,233
Health Research Council	1,089,202	2,109,932	2,358,012		841,122
Miscellaneous	636,937	2,972,876	1,758,923	(8,109)	1,842,781
	1,825,754	5,953,508	4,968,817	(3,309)	2,807,136
Business and Industry	1,630,560	2,010,040	1,873,407	(36,529)	1,730,664
Foundations, Associations, Etc.	3,166,498	8,282,005	8,253,756	67,596	3,262,343
Individuals, Etc.	509,490	601,254	969,105	400,591	542,230
Manitoba Heart Foundation	423,914	1,608,896	1,629,362		403,448
National Cancer Institute of Canada	112,459	2,001,104	2,138,478		(24,915)
Special Projects	197,952	718,530	412,539	6,500	510,443
United States	674,170	2,139,494	1,628,302	(212,263)	973,099
	6,715,043	17,361,323	16,904,949	225,895	7,397,312
Sub-Total	16,095,372	52,042,648	49,261,144	(90,514)	18,786,362

Schedule 10 *Changes to Research and Special Fund Account* for the years ended March 31, 1991 and March 31, 1990

	Balance March 31, 1990	*Income*	*Expenditures*	*Inter-Fund Transfers*	*Balance March 31, 1991*
Special Funds:					
Government of Canada:					
Miscellaneous	$ 1,928,865	$ 3,876,744	$ 3,169,598	$ (334,475)	$ 2,301,536
	1,928,865	3,876,744	3,169,598	(334,475)	2,301,536
Province of Manitoba:					
Agriculture	(6,300)	290,000	275,634		8,066
Miscellaneous	474,043	11,325,913	10,963,893	(131,088)	704,975
	467,743	11,615,913	11,239,527	(131,088)	713,041
Business and Industry	32,359	265,542	173,836	(54,285)	69,780
Foundations, Associations, Etc.	584,752	4,287,604	3,932,443	(116,905)	823,008
Individuals, Etc.	1,328,062	2,627,721	2,583,957	37,225	1,409,051
Special Projects	959,537	850,620	1,107,469	1,000	703,688
	2,904,710	8,031,487	7,797,705	(132,965)	3,005,527
Subtotal	5,301,318	23,524,144	22,206,830	(598,528)	6,020,104
Total Research and Special Funds	21,396,690	75,566,792	71,467,974	(689,042)	24,806,466
Unearned Research and Special Awards	(5,812,115)	(471,930)			(6,284,045)
	15,584,575	75,094,862	71,467,974	(689,042)	18,522,421
Scholarships, Bursaries and Prizes	84,140	1,042,805	993,170		133,775
	15,668,715	76,137,667	72,461,144	$ (689,042)	18,656,196
Disbursements Pending Receipt of Funds to Cover	1,016,802	(33,827)			982,975
		$ 76,103,840	$ 72,461,144		
Balance End of Year, Statement B	$ 16,685,517				$ 19,639,171

Schedule 11 Changes to Specific Provisions Fund Account for the years ended March 31, 1991 and March 31, 1990

	Balance March 31, 1990	*Additions*	*Deductions*	*Balance March 31, 1991*
Ancillary Furniture & Equipment Replacement	$ 967,801	$ 578,958	$ 307,369	$ 1,239,390
Parking Lot Improvements	2,041,750	385,000	477,712	1,949,038
Copier & Word Processor Replacement	938,509	350,923	109,111	1,180,321
Vehicle & Other Equipment Replacement	177,911	132,416	146,251	164,076
Printing Services Equipment Replacement	44,459	81	36,972	7,568
Micro Teaching Equipment Replacement	115,911	43,855	88,357	71,409
Emergency Building Repairs	700,000	250,000		950,000
Computer Equipment Replacement	1,713,961	1,320,600	143,058	2,891,503
Academic Development	667,160			667,160
Non-Insured Benefits	1,584,562	2,371,156	2,077,198	1,878,520
Major Equipment and Systems	500,000			500,000
Fiscal Stabilization Appropriation	200,000	1,300,000		1,500,000
University Pharmacy		10,000		10,000
		$ 6,742,989	$ 3,386,028	
Balance End of Year, Statement B	$ 9,652,024			$ 13,008,985

Schedule 12 Changes to Capital Purpose Fund Account for the years ended March 31, 1991 and March 31, 1990

	1991	*1990*
Additions:		
Universities Grants Commission	$ 5,391,363	$ 2,893,631
Unexpended funds	95,398	299,573
	5,486,761	3,193,204
Deductions:		
Major Capital Expenditures		
Daycare Centre	40,975	
Dentistry Building	2,275,743	2,290,894
Downtown Centre	105,496	52,869
Max Bell Building Link		414,529
University Hall		124,332
Geology Building		10,374
Ceramics Building		14,505
Fitzgerald Building		11,553
Library System Development	329,581	222,667
Library Retro-Conversion	34,240	226,729
Glenlea Equipment & Buildings		40,015
Telephone Registration	28,300	68,770
Main Service Tunnel	2,598,414	48,139
Voice Response Units	41,520	
Network Terminals	36,754	
ID Card Readers	5,836	
University Sign Replacements	5,918	
	5,502,777	3,525,376
Inter-Fund Transfers	270,115	1,250,170
Net Change in the Year	254,099	917,998
Balance Beginning of the Year	(380,967)	(1,298,965)
Balance End of the Year, Statement B	$ (126,868)	$ (380,967)

Schedule 13 Changes to Staff Benefits Fund
for the years ended March 31, 1991 and March 31, 1990

	Benefit Improvement and Maintenance	*Self-Insured Income Disability Plan*	*Group Insurance Experience Refunds*	*Total*	
				1991	*1990*
Additions:					
Income Earned for Period, Net of Management and Administrative Service Fees	$ 514,645	$ 480,872	$ 1,041,208	$ 2,036,725	$ 1,010,799
Contributions	164,023	1,036,120		1,200,143	1,159,978
Experience Credit			1,007,402	1,007,402	66,297
	678,668	1,516,992	2,048,610	4,244,270	2,237,074
Deductions:					
One-Half of the Post-Retirement Adjustments for Pensioners			272,681	272,681	244,137
Benefit Premium	204,112	231,931	11,184	447,227	368,326
Indemnity Payments		851,702		851,702	710,609
	204,112	1,083,633	283,865	1,571,610	1,323,072
Net Change in the Year	474,556	433,359	1,764,745	2,672,660	914,002
Balance Beginning of the Year	3,676,173	3,798,492	6,601,365	14,076,030	13,162,028
Balance End of the Year, Statement B	$ 4,150,729	$ 4,231,851	$ 8,366,110	$ 16,748,690	$ 14,076,030

Schedule 14 Changes to Trust and Endowment Fund
for the years ended March 31, 1991 and March 31, 1990

	Capital Accounts	*Current Accounts*	*Total*	
			1991	*1990*
Additions:				
Contributions	$ 6,737,948	$ 491,721	$ 7,229,669	$ 7,272,741
Investment Income	246,284	4,548,380	4,794,664	4,536,557
Income from Mines, Mineral Rights, etc.	15,681	12,391	28,072	16,719
Transfers to (from)	1,279,881	(1,279,881)		
	8,279,794	3,772,611	12,052,405	11,826,017
Deductions:				
Awards	24,499	321,718	346,217	501,857
Appropriated for Debenture Retirement		42,600	42,600	39,600
Benefit Premiums				66,229
Purchase of Real Estate		332,382	332,382	
Withdrawal of Faculty of Management Associates Fund		642,147	642,147	
Other	33,239	226,640	259,879	213,420
	57,738	1,565,487	1,623,225	821,106
Inter-Fund Transfers	244,324	(1,671,003)	(1,426,679)	(826,162)
Net Change in the Year	8,466,380	536,121	9,002,501	10,178,749
Balance Beginning of the Year	36,673,286	5,889,851	42,563,137	32,384,388
Balance End of the Year, Statement B	$ 45,139,666	$ 6,425,972	$ 51,565,638	$ 42,563,137

Schedule 15 Inter-Fund Transfers
for the Years ended March 31, 1991 and March 31, 1990

	General Operating	*Research and Special*	*Capital Purpose*	*Trust and Endowment*
Scholarships, Bursaries and Prizes, Etc.	$ 82,042	$	$	$ (82,042)
Chair of Icelandic Language and Literature	20,249			(20,249)
Chair in Women's Studies	30,759			(30,759)
Dr. Lorne MacLachlan Educational Endowment	18,256			(18,256)
Centre on Aging	53,822			(53,822)
Kenneth L. Johnson Estate	250,000			(250,000)
William A. Johnston Estate	30,000			(30,000)
University Centre Management Group Fund	50,000			(50,000)
Development Fund Unrestricted	100,000			(100,000)
Imperial Oil Fund	6,057			(6,057)
Endowment Funds	31,105			(31,105)
School of Music	20,000			(20,000)
Interest and Miscellaneous Expenditures re Debentures	57,393			(57,393)
Student Contributions to University Development Fund Campaign	(193,607)			193,607
				(556,076)
Contributions for Capital Purpose			270,115	(270,115)
Sponsored or Assisted Research		562,263		(562,263)
Special Funds		38,225		(38,225)
Overhead Recovery	1,289,530	(1,289,530)		
				(600,488)
March 31, 1991, Statement B	1,845,606	(689,042)	270,115	(1,426,679)
March 31, 1990	$ 1,403,407	$ (1,827,415)	$ 1,250,170	$ (826,162)

Schedule 16 Tuition and Related Fees

	March 31, 1991	*March 31, 1990*
Regular Session	$ 27,538,603	$ 24,784,049
Summer Session	2,310,224	1,998,863
Non-Credit Courses	2,821,449	2,253,016
Short Courses	300,514	857,421
Statement B	$ 32,970,790	$ 29,893,349

Schedule 17 Investment Income (General Fund)

Bank and Short-Term Investments	$ 3,921,450	$ 3,496,138
Sinking Fund Income for Retirement of Debentures	1,028,092	894,503
Statement B	$ 4,949,542	$ 4,390,641

Schedule 18 Overhead Recovery

Government of Canada	$ 21,697	$ 34,414
Province of Saskatchewan	9,184	21,210
Province of Manitoba		5,192
Statement B	$ 30,881	$ 60,816

Schedule 19 Miscellaneous Income (General Fund)

Sale of Equipment	$ 40,409	$ 41,812
Miscellaneous	29,241	190,976
Rentals	35,746	25,140
Statement B	$ 105,396	$ 257,928

Schedule 20 Universities Grants Commission Grants (General Operating Fund Account)

General Operating	$153,015,587	$147,449,123
Computer Service Network	641,060	574,973
Renovation and Equipment	3,328,260	3,900,000
Debenture Interest and Financing	557,651	548,521
Capital Advance	620,748	620,748
Statement B	$158,163,306	$153,093,365

Schedule 21 Income and Expenditure, Ancillary Enterprises
for the years ended March 31, 1991 and March 31, 1990

	Book Department	*Parking*	*Food Service*	*Residences*
Income	$13,752,138	$ 1,973,524	$ 6,442,390	$ 2,000,152
Expenditure:				
Salaries	1,876,417	83,152	2,504,479	1,028,124
Staff Benefits	186,868	10,224	228,034	112,615
Pay Tax Levy	42,400	1,890	56,300	23,207
Cost of Goods Sold	10,823,258		2,210,266	
Equipment, Alterations, Etc.	134,679	326,550	106,358	223,017
Supplies and Expense	551,692	1,638,932	1,336,147	555,798
	13,615,314	2,060,748	6,441,584	1,942,761
Net Income (Expenditure) Before Appropriations	136,824	(87,224)	806	57,391
Appropriated from (to) Specific Provisions	(135,865)	92,712	(80,853)	(54,871)
Net Income (Expenditure), 1991	$ 959	$ 5,488	$ (80,047)	$ 2,520
Net Income (Expenditure), 1990	$ 24,366	$ 3,315	$ (148,173)	$ (621)

Total	
1991	*1990*
$ 24,168,204	$23,424,620
5,492,172	5,024,076
537,741	439,431
123,797	113,238
13,033,524	12,906,083
790,604	1,155,620
4,082,569	3,963,952
24,060,407	23,602,400
107,797	(177,780)
(178,877)	56,667
$ (71,080)	
	$ (121,113)

Schedule 22 ***Net Academic Faculty Expenditure by Account and Funding***

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Agriculture:						
General Operating						
Dean's Office	$ 234,318	$	$ 165,802	$ 43,828	$ 9,020	$ 129,322
Agricultural Economics	835,866	72,167	165,765	116,753	23,879	88,737
Agricultural Engineering	634,487	31,344	123,096	87,544	17,764	108,410
Animal Science	900,371	3,745	395,703	144,826	29,516	53,900
Canada Biting Fly Centre						
Commercial Dairy			116,662	15,005	2,626	221,762
Entomology	390,430	9,990	84,535	52,506	10,878	89,861
Farm Management		576	655,660	82,661	15,027	230,065
Food Science	520,416	38,348	217,355	83,188	17,246	52,743
Glenlea Research Station						4,760
Plant Science	1,058,372	39,361	924,677	238,930	46,454	230,323
School of Agriculture	140,867	1,631	68,838	16,823	4,772	74,806
Soil Science	566,830	8,033	157,309	79,796	16,781	37,833
	5,281,957	205,195	3,075,402	961,860	193,963	1,322,522
Renovation and Equipment						
Research	353,464	1,574,167	1,009,627	224,888	51,062	1,414,837
Special Funds		58,741	193,192	25,311	5,008	512,114
	5,635,421	1,838,103	4,278,221	1,212,059	250,033	3,249,473
Architecture:						
General Operating						
Dean's Office	97,310		64,042	18,084	3,702	11,246
General Faculty	2,792		229,288	29,514	6,004	141,575
Architecture	825,602			80,656	17,806	35,096
City Planning	309,994	3,691		31,643	7,020	24,208
Environmental Studies	799,728	3,717	34	82,730	17,750	35,548
Interior Design	709,290	3,250		72,045	16,062	52,467
Landscape Architecture	384,421	1,492		41,536	8,473	54,162
	3,129,137	12,150	293,364	356,208	76,817	354,302
Renovation and Equipment						
Research		6,616				26,527
Special Funds		731	28,541	1,915	769	6,546
	3,129,137	19,497	321,905	358,123	77,586	387,375

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter.,Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 26,161	$ 608,451	$	$ 48,564	$ 559,887	$ 596.856	
9,147	1,312,314			1,312,314	1,314,972	
16,996	1,019,641		8,238	1,011,403	999,167	
10,492	1,538,553		6,860	1,531,693	1,385,263	
					8,280	
25,863	381,918	446,401	74,365	(138,848)	(128,763)	
729	638,929			638,929	534,510	
32,987	1,016,976	36,000	395,444	585,532	637,044	
20,836	950,132			950,132	971,671	
482	5,242			5,242	2,650	
35,944	2,574,061			2,574,061	2,583,369	
235	307,972		18,554	289,418	264,640	
5,189	871,771			871,771	814,289	
185,061	11,225,960	482,401	552,025	10,191,534	9,983,948	2.1%
66,020	66,020			66,020	76,024	
532,873	5,160,918			5,160,918	5,264,054	
105,535	899,901			899,901	616,322	
889,489	17,352,799	482,401	552,025	16,318,373	15,940,348	2.4%
	194,384			194,384	149,638	
19,268	428,441		83,279	345,162	340,704	
	959,160			959,160	881,668	
5	376,561			376,561	347,644	
84	939,591		7,875	931,716	857,922	
3	853,117		23,040	830,077	743,463	
74	490,158		8,201	481,957	406,419	
19,434	4,241,412		122,395	4,119,017	3,727,458	10.5%
40,873	40,873			40,873	25,084	
1,532	34,675			34,675	12,427	
	38,502			38,502	37,015	
61,839	4,355,462		122,395	4,233,067	3,801,984	11.3%

Schedule 22 ***Net Academic Faculty Expenditure by Account and Funding***

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Arts:						
General Operating						
Dean's Office	$ 233,385	$	$ 460,032	$ 73,007	$ 15,595	$ 56,138
General Faculty	897,689	23,397	345,781	103,986	30,925	272,887
Anthropology	900,729	32,912	63,003	106,974	21,876	28,220
Classics	213,127	6,084	25,452	27,226	5,476	13,363
Economics	1,582,477	135,685	82,878	194,732	40,224	71,706
English	2,081,964	94,744	84,290	246,053	50,882	61,623
French and Spanish	1,075,810	42,446	51,304	123,227	26,458	55,440
Geography	1,097,458	64,747	143,999	137,641	28,716	70,578
German	300,322	19,506	27,186	35,833	7,646	9,353
History	1,873,082	95,233	83,145	211,278	45,588	143,860
Icelandic Language and Literature	46,614			5,123	1,051	5,234
Judaic Studies						
Language and Linquistics	342,764	9,062	18,410	40,250	8,549	19,462
Modern Language Division		13,933	55,396	6,904	1,560	3,611
Native Studies	162,563	6,909	26,792	23,358	4,447	57,287
Philosophy	825,682	24,207	29,478	94,607	19,879	46,297
Political Studies	966,480	47,338	58,030	108,833	23,752	44,824
Professional and Applied Ethics		115		6	3	12,571
Psychology	2,706,550	116,072	277,384	311,266	68,929	223,616
Psycology-Service Centre	264,059	11,574	56,832	35,809	7,558	14,612
Religious Studies	510,491	25,703	45,649	61,355	12,978	38,378
Slavic Studies	259,220	7,755	12,855	28,195	6,331	11,590
Sociology	1,513,777	84,504	105,720	181,913	38,481	103,512
Women's Studies	29,125	3,722		3,540	744	5,186
	17,883,368	865,648	2,053,616	2,161,116	467,648	1,369,348
Renovation and Equipment						
Research	221,163	388,290	101,552	34,054	9,777	249,844
Special Funds	108,395	41,933	71,517	13,368	3,711	253,212
	18,212,926	1,295,871	2,226,685	2,208,538	481,136	1,872,404
Centre for Ukrainian Canadian Studies:						
General Operating						
Director's Office	22,103	12,483	8,108	2,657	961	3,125
	22,103	12,483	8,108	2,657	961	3,125
Research	141	1,140	917	132	49	10,577
Special Funds						1,344
	22,244	13,623	9,025	2,789	1,010	15,046

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 13,006	$ 851,163		$	$ 851,163	$ 776,325	
49,717	1,724,382		94,044	1,630,338	1,464,430	
17,835	1,171,549			1,171,549	1,047,383	
	290,728			290,728	252,986	
10,811	2,118,513			2,118,513	1,877,718	
17,509	2,637,065			2,637,065	2,529,167	
3,153	1,377,838			1,377,838	1,331,693	
38,809	1,581,948			1,581,948	1,451,339	
105	399,951			399,951	425,780	
954	2,453,140			2,453,140	2,277,438	
	58,022			58,022	62,902	
					66,659	
5,028	443,525			443,525	393,903	
2,685	84,089			84,089	87,301	
130	281,486			281,486	228,394	
831	1,040,981			1,040,981	993,992	
5,362	1,254,619			1,254,619	1,175,359	
1,402	14,097			14,097	14,100	
39,898	3,743,715			3,743,715	3,539,120	
3,446	393,890		2,765	391,125	363,413	
914	695,468			695,468	601,564	
	325,946			325,946	311,948	
7,918	2,035,825			2,035,825	2,088,801	
131	42,448			42,448	12,770	
219,644	25,020,388		96,809	24,923,579	23,374,485	6.6%
47,108	47,108			47,108	56,182	
58,849	1,063,529			1,063,529	1,092,503	
18,968	511,104			511,104	293,484	
344,569	26,642,129		96,809	26,545,320	24,816,654	7.0%
6,191	55,628			55,628	46,828	
6,191	55,628			55,628	46,828	18.8%
840	13,796			13,796	13,005	
	1,344			1,344	489	
7,031	70,768			70,768	60,322	17.3%

Schedule 22 Net Academic Faculty Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Continuing Education Division:						
General Operating						
Dean's Office	$ 1,070,092	$	$ 1,003,170	$ 237,740	$ 47,363	$ 183,455
Non-Credit Granting Courses	775,774	39,618	82,858	46,530	20,326	1,134,468
Summer School & Evening Credit Granting Courses	744,977	491,885	60,412	54,554	28,827	306,169
	2,590,843	531,503	1,146,440	338,824	96,516	1,624,092
Renovation and Equipment						
Research	4,780		24,269	1,345	613	8,239
Special Funds	637,731	29,014	337,686	73,070	17,704	1,763,631
	3,233,354	560,517	1,508,395	413,239	114,833	3,395,962
Dentistry:						
General Operating						
Dean's Office	217,869		95,807	30,656	7,099	8,439
General Faculty	245,584	8,331	79,413	30,390	7,283	243,054
Anatomy Section	170,344	958	62,165	27,666	5,315	6,888
Continuing Education	10,350	640	351	413	282	34,988
General Clinic	4,380		510,392	61,392	11,587	308,768
Medical Microbiology	52,958			5,572	1,194	2,054
Mobile Van						5,823
Oral Biology	722,872	9,981	75,740	84,211	18,463	15,710
Pharmacology	90,975			8,828	2,053	1,454
Preventive Dental Science	440,272	10,427	152,410	59,098	13,677	56,171
Private Practice Area			9,710	2,215	218	487
Rehabilitative Dental Science	805,176	87,708	106,227	93,113	22,592	22,614
School of Dental Hygiene	180,798	28,323	24,590	27,874	5,314	9,431
Stomotology	655,566	16,660	141,338	90,283	18,850	25,325
	3,597,144	163,028	1,258,143	521,711	113,927	741,206
Renovation and Equipment						
Research	2,310	186,803	247,827	31,978	6,551	328,950
Special Funds	113,377	15,726	227,452	50,867	19,401	2,103,522
	3,712,831	365,557	1,733,422	604,556	139,879	3,173,678
Education:						
General Operating						
Dean's Office	217,815		454,173	78,572	15,347	61,911
General Faculty	235,282	321,798	40,941	33,390	13,563	380,379
Curriculum: Humanities and Social Sciences	1,209,622	634	27,186	122,513	27,926	30,829
Curriculum: Mathematics and Natural Sciences	1,050,486	1,586	27,186	110,941	24,295	45,544
Educational Administration	746,956	456	27,186	80,206	17,613	29,833
Educational Psychology	587,321	184	27,186	64,552	13,973	14,267
	4,047,482	324,658	603,858	490,174	112,717	562,763
Renovation and Equipment						
Research		6,564	4,497	277	358	17,607
Special Funds	266,959	37,291	71,309	33,373	7,874	770,580
	4,314,441	368,513	679,664	523,824	120,949	1,350,950

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 140,168	$ 2,681,988	$ 69,279	$ 70,554	$ 2,542,155	$ 2,107,798	
57,160	2,156,734			2,156,734	1,752,213	
292	1,687,116		16,750	1,670,366	1,578,651	
197,620	6,525,838	69,279	87,304	6,369,255	5,438,662	17.1%
10,147	10,147			10,147	36,859	
	39,246			39,246	20,306	
220,293	3,079,129			3,079,129	2,673,063	
428,060	9,654,360	69,279	87,304	9,497,777	8,168,890	16.3%
	359,870			359,870	299,066	
314,151	928,206		71,042	857,164	604,428	
614	273,950			273,950	272,531	
71	47,095			47,095	46,241	
3,387	899,906		391,013	508,893	314,444	
	61,778			61,778	61,129	
4,630	10,453		154,211	(143,758)	(67,418)	
6,037	933,014			933,014	981,377	
	103,310			103,310	97,729	
3,777	735,832			735,832	690,369	
	12,630		1,616	11,014	14,343	
713	1,138,143			1,138,143	1,142,889	
150	276,480			276,480	233,605	
531	948,553			948,553	953,500	
334,061	6,729,220		617,882	6,111,338	5,644,233	8.3%
42,900	42,900			42,900	52,534	
72,180	876,599			876,599	896,170	
29,772	2,560,117			2,560,117	1,959,430	
478,913	10,208,836		617,882	9,590,954	8,552,367	12.1%
	827,818		600	827,218	715,145	
54,617	1,079,970		62,201	1,017,769	1,048,412	
2,712	1,421,422			1,421,422	1,310,383	
518	1,260,556			1,260,556	1,255,938	
13	902,263		1,043	901,220	748,453	
4,673	712,156			712,156	716,925	
62,533	6,204,185		63,844	6,140,341	5,795,256	6.0%
15,379	15,379			15,379	18,750	
8,269	37,572			37,572	25,225	
3,861	1,191,247			1,191,247	1,321,287	
90,042	7,448,383		63,844	7,384,539	7,160,518	3.1%

Schedule 22 Net Academic Faculty Expenditure by Account and Funding

	Salaries and Wages					
Engineering:	*Academic*	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
General Operating						
Dean's Office	$ 112,282	$ 49,221	$ 161,879	$ 35,641	$ 7,423	$ 214,761
Civil Engineering	1,407,905	110,379	433,527	203,308	44,037	248,243
Electrical and Computer Engineering	1,777,886	108,270	490,805	266,035	56,037	111,779
Geological Engineering	229,863	3,122	69,712	33,245	6,841	31,289
Mechanical Engineering	1,356,424	134,031	608,742	218,847	46,004	153,540
	4,884,360	405,023	1,764,665	757,076	160,342	759,612
Renovation and Equipment						
Research	360,805	1,894,550	139,366	58,278	14,727	1,777,222
Special Funds	232,041	91,952	97,690	37,286	9,506	623,996
	5,477,206	2,391,525	2,001,721	852,640	184,575	3,160,830
Fine Arts:						
General Operating						
Director's Office	1,306,261	615	160,510	156,734	33,149	140,084
	1,306,261	615	160,510	156,734	33,149	140,084
Renovation and Equipment						
Research			878	32	20	30,759
Special Funds						10,899
	1,306,261	615	161,388	156,766	33,169	181,742
Graduate Studies:						
General Operating						
Dean's Office	165,348	1,453,610	183,638	37,784	8,053	87,890
	165,348	1,453,610	183,638	37,784	8,053	87,890
Renovation and Equipment						
Research	6,378	243,430	7,084	1,457	311	3,390
Special Funds			955	18	21	
	171,726	1,697,040	191,677	39,259	8,385	91,280
Human Ecology:						
General Operating						
Dean's Office	76,921		35,490	12,040	2,691	13,714
General Faculty	4,300		99,216	11,475	2,349	54,209
Clothing and Textiles	421,193	45,971	99,627	58,233	12,774	91,609
Family Studies	518,901	41,113	59,637	63,423	13,649	44,732
Foods and Nutrition	660,534	25,520	79,986	78,665	17,160	37,526
	1,681,849	112,604	373,956	223,836	48,623	241,790
Renovation and Equipment						
Research	5,355	304,150	109,610	27,580	7,278	253,624
Special Funds						10,407
	1,687,204	416,754	483,566	251,416	55,901	505,821

		Deduct - Cost Recoveries		Net Expenditure		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 80,430	$ 661,637	$	$ 133,522	$ 528,115	$ 363,159	
43,996	2,491,395		44,572	2,446,823	2,163,680	
22,453	2,833,265	879	16,993	2,815,393	2,768,645	
53,220	427,292		3,725	423,567	296,226	
62,242	2,579,830	4,000	23,781	2,552,049	2,370,723	
262,341	8,993,419	4,879	222,593	8,765,947	7,962,433	10.1%
127,548	127,548			127,548	157,365	
1,212,057	5,457,005			5,457,005	4,619,602	
3,468	1,095,939			1,095,939	1,141,684	
1,605,414	15,673,911	4,879	222,593	15,446,439	13,881,084	11.3%
31,857	1,829,210	3,525	39,283	1,786,402	1,665,585	
31,857	1,829,210	3,525	39,283	1,786,402	1,665,585	7.3%
11,084	11,084			11,084	12,737	
	31,689			31,689	18,737	
	10,899			10,899	8,310	
42,941	1,882,882	3,525	39,283	1,840,074	1,705,369	7.9%
8,030	1,944,353		37,614	1,906,739	1,649,534	
8,030	1,944,353		37,614	1,906,739	1,649,534	15.6%
3,809	3,809			3,809	5,135	
310	262,360			262,360	245,162	
	994			994	1,861	
12,149	2,211,516		37,614	2,173,902	1,901,692	14.3%
	140,856			140,856	135,293	
33,795	205,344		33,365	171,979	164,550	
2,540	731,947		45,567	686,380	555,982	
9,846	751,301		7,431	743,870	642,291	
5,400	904,791	1,785	30,612	872,394	795,955	
51,581	2,734,239	1,785	116,975	2,615,479	2,294,071	14.0%
20,400	20,400			20,400	47,188	
94,402	801,999			801,999	579,519	
	10,407			10,407	20,085	
166,383	3,567,045	1,785	116,975	3,448,285	2,940,863	17.3%

Schedule 22 Net Academic Faculty Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Law:						
General Operating						
Dean's Office	$ 109,946	$ 4,673	$ 93,166	$ 19,740	$ 4,685	$ 171,591
General Faculty	1,611,658		190,790	187,933	40,452	6,693
	1,721,604	4,673	283,956	207,673	45,137	178,284
Renovation and Equipment						
Research	24,000	106,208		4,790	2,326	82,949
Special Funds		19,616		987	441	48,753
	1,745,604	130,497	283,956	213,450	47,904	309,986
Management:						
General Operating						
Dean's Office	128,544		111,330	21,744	5,408	68,464
General Faculty	23,767	18,911	350,142	38,058	8,872	701,001
Accounting and Finance	984,779	20,822	53,444	109,637	24,023	30,073
Actuarial and Management Sciences	632,145	20,831	27,186	67,628	15,359	21,669
Business Administration	1,391,524	43,025	72,773	162,155	33,704	26,716
Marketing	621,897	7,715	29,872	64,458	14,827	17,133
Public Policy						
	3,782,656	111,304	644,747	463,680	102,193	865,056
Renovation and Equipment						
Research	35,672	67,248	69,950	10,621	2,774	151,322
Special Funds		9,450	18,523	1,429	599	146,405
	3,818,328	188,002	733,220	475,730	105,566	1,162,783

		Deduct - Cost Recoveries		Net Expenditure		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 32,573	$ 436,374		$ 74,787	$ 361,587	$ 260,582	
	2,037,526			2,037,526	1,782,166	
32,573	2,473,900		74,787	2,399,113	2,042,748	17.4%
5,093	5,093			5,093	6,264	
23,469	243,742			243,742	132,984	
3,966	73,763			73,763	42,776	
65,101	2,796,498		74,787	2,721,711	2,224,772	22.3%
	335,490			335,490	245,741	
146,868	1,287,619			1,287,619	803,665	
441	1,223,219			1,223,219	1,198,807	
6,056	790,874			790,874	678,628	
2,848	1,732,745			1,732,745	1,064,996	
1,448	757,350			757,350	652,692	
					449,819	
157,661	6,127,297			6,127,297	5,094,348	20.3%
9,186	9,186			9,186	12,325	
16,080	353,667			353,667	584,216	
690	177,096			177,096	156,630	
183,617	6,667,246			6,667,246	5,847,519	14.0%

Schedule 22 Net Academic Faculty Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Medicine						
General Operating						
Dean's Office	$ 175,729	$	$ 331,586	$ 49,638	$ 11,539	$ 50,755
General Faculty	314,634	30,888	149,357	47,318	12,065	466,779
Anaesthetics	399,625		109,601	63,868	11,574	47,446
Anatomy	619,224	3,308	208,229	101,787	20,827	85,058
Biochemistry and Molecular Biology	694,442	7,318	98,335	82,814	18,410	50,568
Central Animal Care			559,409	67,183	12,623	699,593
Community Health Sciences	865,167	13,353	91,353	96,589	22,423	132,941
Computer-Operating and Rentals		5,000	76,401	8,240	1,720	12,925
Continuing Medical Education	74,931		102,035	19,423	4,076	103,193
Educational Development			232,244	28,180	5,256	5,988
Family Practice Unit	322,726		156,128	56,150	10,759	44,165
Human Genetics	215,080	52	85,253	32,210	6,820	91,010
Immunology	407,389		124,407	60,093	12,688	36,047
Internal Medicine	2,351,122	4,585	305,580	372,593	62,045	140,071
Microbiology	372,285		168,906	55,285	12,225	270,591
Obstetrics and Gynaecology	511,190	8,734	138,176	75,878	15,173	14,555
Opthalmology	10,449			278	235	2,583
Otolaryngology	116,370		35,202	21,542	3,524	6,171
Paediatrics and Child Health	919,279		64,600	144,013	27,326	40,737
Pathology	559,534	9,974	72,347	59,425	14,706	43,039
Pharmacology and Therapeutics	767,668		128,985	96,666	20,747	64,859
Physiology	1,037,238		247,453	131,287	30,013	91,091
Psychiatry	509,517		92,440	50,335	13,297	56,555
Radiology	98,213	1,000	30,809	9,377	2,891	3,264
School of Medical Rehabilitation	835,789	18,318	128,424	105,915	22,262	125,280
Statistics Division			95,533	11,163	2,153	3,033
Surgery	982,415		212,454	185,036	27,104	55,353
	13,160,016	102,530	4,045,247	2,032,286	404,481	2,743,650
Renovation and Equipment						
Research	2,586,231	5,494,723	6,922,130	1,266,666	261,664	6,953,616
Special Funds	661,533	2,334,596	670,340	282,640	69,874	2,912,305
	16,407,780	7,931,849	11,637,717	3,581,592	736,019	12,609,571
Music:						
General Operating						
Director's Office	1,138,148	29,760	93,130	126,238	28,321	477,069
	1,138,148	29,760	93,130	126,238	28,321	477,069
Renovation and Equipment						
Research		2,736	258	235	170	6,203
Special Funds						2,585
	1,138,148	32,496	93,388	126,473	28,491	485,857

		Deduct - Cost Recoveries		Net Expenditure		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 2,909	$ 622,156	$	$	$ 622,156	$ 616,569	
57,818	1,078,859	28,298	206,104	844,457	744,528	
6,804	638,918			638,918	566,975	
3,930	1,042,363		56,124	986,239	926,650	
23,459	975,346			975,346	877,540	
14,776	1,353,584	41,358	875,601	436,625	247,699	
54,227	1,276,053	550	355,086	920,417	695,533	
5,810	110,096	9,393	16,755	83,948	91,464	
4,400	308,058			308,058	284,541	
	271,668			271,668	256,232	
3,861	593,789			593,789	562,219	
17,057	447,482		108,341	339,141	332,178	
46,480	687,104			687,104	628,967	
1,257	3,237,253			3,237,253	3,051,809	
158,204	1,037,496			1,037,496	861,036	
15	763,721			763,721	733,278	
	13,545			13,545	15,695	
99	182,908			182,908	163,592	
232	1,196,187			1,196,187	1,111,551	
7,598	766,623			766,623	732,726	
186,395	1,265,320		6,335	1,258,985	962,020	
4,668	1,541,750		38,742	1,503,008	1,473,299	
42,818	764,962			764,962	808,417	
805	146,359			146,359	183,296	
81,236	1,317,224		3,489	1,313,735	1,174,524	
	111,882		56,454	55,428	57,257	
40	1,462,402			1,462,402	1,412,683	
724,898	23,213,108	79,599	1,723,031	21,410,478	19,572,278	9.4%
123,103	123,103			123,103	135,086	
2,508,658	25,993,688			25,993,688	22,195,055	
424,389	7,355,677			7,355,677	7,695,302	
3,781,048	56,685,576	79,599	1,723,031	54,882,946	49,597,721	10.7%
90,074	1,982,740	9,460	620,171	1,353,109	1,694,773	
90,074	1,982,740	9,460	620,171	1,353,109	1,694,773	(20.2%)
56,295	56,295			56,295	7,292	
6,864	16,466			16,466	21,432	
	2,585			2,585	4,000	
153,233	2,058,086	9,460	620,171	1,428,455	1,727,497	(17.3%)

Schedule 22 Net Academic Faculty Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Natural Resource Institute:						
General Operating						
Director's Office	$ 211,088	$	$ 39,663	$ 26,793	$ 5,709	$ 31,128
	211,088		39,663	26,793	5,709	31,128
Renovation and Equipment						
Research		65,403	1,206	1,133	522	79,714
Special Funds		1,191		79	27	7
	211,088	66,594	40,869	28,005	6,258	110,849
Nursing Education:						
General Operating						
Director's Office	1,264,790	32,659	217,158	157,132	33,974	284,164
Special Nursing Program	301,773	71,655	99,791	47,028	10,718	62,071
	1,566,563	104,314	316,949	204,160	44,692	346,235
Renovation and Equipment						
Research		43,408	29,365	4,267	1,031	82,450
Special Funds	183,215	4,312	47,081	19,744	4,291	274,272
	1,749,778	152,034	393,395	228,171	50,014	702,957
Pharmacy:						
General Operating						
Dean's Office	696,269	9,915	116,376	87,552	18,556	93,501
	696,269	9,915	116,376	87,552	18,556	93,501
Renovation and Equipment						
Research	22,836	125,006	6,721	6,653	1,873	71,988
Special Funds			23,354	2,540	525	3,400
	719,105	134,921	146,451	96,745	20,954	168,889
Physical Education:						
General Operating						
Dean's Office	956,833	41,983	126,264	123,463	25,430	219,975
Sports Institute	40,917	6,379		4,953	1,066	10,817
	997,750	48,362	126,264	128,416	26,496	230,792
Renovation and Equipment						
Research	52,827	37,144	10,082	6,290	2,205	62,761
Special Funds	39,634	2,295	16,104	5,799	1,364	202,962
	1,090,211	87,801	152,450	140,505	30,065	496,515

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 6,712	$ 321,093		$ 1,000	$ 320,093	$ 309,371	
6,712	321,093		1,000	320,093	309,371	3.5%
3,058	3,058			3,058	3,602	
	147,978			147,978	136,159	
	1,304			1,304	4,833	
9,770	473,433		1,000	472,433	453,965	4.1%
110,374	2,100,251		83,713	2,016,538	1,968,495	
1,194	594,230			594,230	548,443	
111,568	2,694,481		83,713	2,610,768	2,516,938	3.7%
8,053	8,053			8,053	9,961	
35,978	196,499			196,499	122,619	
12,404	545,319			545,319	131,829	
168,003	3,444,352		83,713	3,360,639	2,781,347	20.8%
6,428	1,028,597			1,028,597	997,170	
6,428	1,028,597			1,028,597	997,170	3.2%
6,742	6,742			6,742	7,999	
6,164	241,241			241,241	237,901	
	29,819			29,819	24,917	
19,334	1,306,399			1,306,399	1,267,987	3.0%
8,459	1,502,407		2,435	1,499,972	1,339,659	
389	64,521			64,521	83,606	
8,848	1,566,928		2,435	1,564,493	1,423,265	9.9%
16,252	16,252			16,252	18,750	
3,398	174,707			174,707	97,392	
3,399	271,557			271,557	205,746	
31,897	2,029,444		2,435	2,027,009	1,745,153	16.2%

Schedule 22 ***Net Academic Faculty Expenditure by Account and Funding***

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Science:						
General Operating						
Dean's Office	$ 291,490	$ 250	$ 121,368	$ 43,419	$ 9,377	$ 43,582
General Faculty		42,930	294,695	35,833	7,112	183,082
Applied Mathematics	688,500	56,296	45,673	81,594	17,494	33,136
Astronomy/Planetarium		6,940	55,559	6,755	1,407	9,408
Biological Sciences		62,497	68,925	8,709	2,957	13,290
Botany	822,074	39,312	173,453	110,853	22,872	82,054
Chemistry	1,840,089	166,219	378,763	244,082	54,168	264,282
Computer Science	1,494,557	96,066	172,453	188,353	39,765	95,084
Delta Research Station	40,979		130,725	17,796	3,871	72,376
Geological Sciences	1,021,521	58,994	315,610	149,712	32,199	83,305
Mathematics	2,148,292	69,020	97,782	233,114	51,907	62,799
Microbiology	762,357	40,393	137,534	98,216	21,493	153,444
Physics	1,486,533	62,560	434,916	222,029	46,209	169,354
Star Lake Field Station		1,852	1,795	186	82	5,598
Statistics	915,312	61,186	39,716	102,900	22,637	76,267
Zoology	1,363,672	98,778	258,258	182,538	38,291	116,234
	12,875,376	863,293	2,727,225	1,726,089	371,841	1,463,295
Renovation and Equipment						
Research	282,408	1,404,830	510,158	115,365	27,593	1,797,715
Special Funds	138,929	3,586	30,711	18,916	4,009	77,964
	13,296,713	2,271,709	3,268,094	1,860,370	403,443	3,338,974
Social Work:						
General Operating						
Dean's Office	1,411,383	24,778	191,400	178,373	36,464	211,849
	1,411,383	24,778	191,400	178,373	36,464	211,849
Renovation and Equipment						
Research	11,743	135,642	66,652	14,421	4,037	164,764
Special Funds	639,617	98,425	216,607	94,275	20,015	1,500,408
	2,062,743	258,845	474,659	287,069	60,516	1,877,021
Undistributed Salary Anomalies and Merit:	54,059					
Total Academic:						
General Operating	82,204,764	5,385,446	19,506,657	11,189,240	2,396,606	13,847,593
Renovation and Equipment						
Total Operating	82,204,764	5,385,446	19,506,657	11,189,240	2,396,606	13,847,593
Research	3,970,113	12,088,058	9,262,149	1,810,462	394,941	13,575,058
Special Funds	3,021,431	2,748,859	2,051,062	661,617	165,139	11,225,312
	$ 89,196,308	$ 20,222,363	$ 30,819,868	$ 13,661,319	$ 2,956,686	$ 38,647,963

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 40,020	$ 549,506	$	$	$ 549,506	$ 580,086	
221,548	785,200		95,474	689,726	906,431	
11,013	933,706			933,706	842,456	
1,184	81,253			81,253	96,601	
7,743	164,121			164,121	172,268	
37,089	1,287,707		10,522	1,277,185	1,209,539	
130,640	3,078,243	37,426	54,747	2,986,070	2,618,144	
83,171	2,169,449			2,169,449	2,187,570	
9,826	275,573	26,598	30,629	218,346	212,069	
51,470	1,712,811		48,350	1,664,461	1,562,880	
5,403	2,668,317			2,668,317	2,416,304	
22,863	1,236,300			1,236,300	1,198,281	
33,440	2,455,041	24,510	111,090	2,319,441	2,178,847	
	9,513			9,513	11,368	
18,291	1,236,309		56,715	1,179,594	1,131,102	
53,638	2,111,409			2,111,409	1,891,150	
727,339	20,754,458	88,534	407,527	20,258,397	19,215,096	5.4%
159,832	159,832			159,832	186,472	
1,763,674	5,901,743			5,901,743	5,308,912	
26,425	300,540			300,540	251,788	
2,677,270	27,116,573	88,534	407,527	26,620,512	24,962,268	6.6%
11,772	2,066,019		137,462	1,928,557	1,882,220	
11,772	2,066,019		137,462	1,928,557	1,882,220	2.5%
7,899	7,899			7,899	9,700	
3,279	400,538			400,538	463,478	
12,800	2,582,147			2,582,147	2,527,058	
35,750	5,056,603		137,462	4,919,141	4,882,456	0.8%
	54,059			54,059		
3,256,226	137,786,532	739,462	5,006,850	132,040,220	122,330,700	7.9%
780,781	780,781			780,781	885,309	
4,037,007	138,567,313	739,462	5,006,850	132,821,001	123,216,009	7.8%
6,348,876	47,449,657			47,449,657	42,086,858	
865,970	20,739,390			20,739,390	19,117,909	
$ 11,251,853	$206,756,360	$ 739,462	$ 5,006,850	$201,010,048	$184,420,776	9.0%

Schedule 23 ***Net Other Academic Expenditure by Account and Funding***

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Academic Review Program:						
General Operating	$	$	$ 14,363	$ 1,093	$ 323	$ 58,580
			14,363	1,093	323	58,580
Computer Services:						
General Operating						
Computer Centre	4,168		2,896,682	304,286	65,433	450,125
Administrative Data Centre			1,033,249	118,199	23,313	4,126
Computer Equipment						178,705
Micro Computer Centre	34,297		114,246	15,434	3,344	42,003
	38,465		4,044,177	437,919	92,090	674,959
Renovation and Equipment						
Special Funds						76
	38,465		$4,044,177	437,919	92,090	675,035
Institutes, Centres and Specialized Academic Units:						
General Operating						
Central Breeding Facility			70,420	7,251	1,416	114,503
Centre For Aging	7,500	26,122	50,010	11,353	2,437	25,832
Centre For Higher Education Management	42,912	9,210	61,455	11,288	2,318	107,390
Mosaic	3,600		30,477	3,311	682	40,151
Transport Institute			55,895	4,981	1,346	26,214
University of Manitoba Press			98,152	10,432	2,211	55,773
	54,012	35,332	366,409	48,616	10,410	369,863
Renovation and Equipment						
Research		438,598	205,750	45,089	13,081	669,305
Special Funds	3,552		1,184	533	106	338,394
	57,564	473,930	573,343	94,238	23,597	1,377,562
Instructional Media:						
General Operating						
Director's Office			1,421,522	157,680	32,020	277,565
			1,421,522	157,680	32,020	277,565
Renovation and Equipment						
Special Fund						
			1,421,522	157,680	32,020	277,565
Research Development:						
General Operating	14,331	86,935	84,177	13,248	3,750	285,034
	14,331	86,935	84,177	13,248	3,750	285,034
Research	1,969	52,555	15,265	931	391	73,480
	16,300	139,490	99,442	14,179	4,141	358,514
Staff Development Program:						
General Operating						90,860
						90,860

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$	$ 74,359	$	$ 63,274	$ 11,085	$ 41,780	(73.5%)
	74,359		63,274	11,085	41,780	(73.5%)
104,082	3,824,776	109,420	143,805	3,571,551	3,479,729	
10,410	1,189,297		27,808	1,161,489	1,046,777	
2,848,781	3,027,486			3,027,486	4,668,044	
91,452	300,776	39,540	4,316	256,920	127,824	
3,054,725	8,342,335	148,960	175,929	8,017,446	9,322,374	(14.0%)
44,294	44,294			44,294	60,126	
	76			76	78,208	
3,099,019	8,386,705	148,960	175,929	8,061,816	9,460,708	(14.8%)
6,874	200,464	104,623		95,841	28,916	
673	123,927		3,119	120,808	96,476	
8,439	243,012	45,000	79,173	118,839	129,388	
597	78,818		19,641	59,177	60,060	
6,163	94,599		6,605	87,994	65,684	
217	166,785		85,457	81,328	67,138	
22,963	907,605	149,623	193,995	563,987	447,662	26.0%
2,800	2,800			2,800	4,999	
13,532	1,385,355			1,385,355	826,259	
	343,769			343,769	178,150	
39,295	2,639,529	149,623	193,995	2,295,911	1,457,070	57.6%
117,723	2,006,510	298,922	66,680	1,640,908	1,640,709	
117,723	2,006,510	298,922	66,680	1,640,908	1,640,709	0.0%
276,514	276,514			276,514	350,735	
					1,474	
394,237	2,283,024	298,922	66,680	1,917,422	1,992,918	(3.8%)
143,421	630,896		77,800	553,096	507,977	
143,421	630,896		77,800	553,096	507,977	8.9%
86,573	231,164			231,164	245,278	
229,994	862,060		77,800	784,260	753,255	4.1%
	90,860			90,860	147,274	(38.3%)
	90,860			90,860	147,274	(38.3%)

Schedule 23 Net Other Academic Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Colleges:						
General Operating						
Warden's Office-St.John's College	$ 86,494	$	$ 201,354	$ 32,890	$ 6,474	$ 24,933
Rector's Office-St.Paul's College	8,220	31,418	167,527	23,448	4,664	21,709
Provost's Office-University College	30,699		84,071	14,384	2,605	26,705
	125,413	31,418	452,952	70,722	13,743	73,347
Renovation and Equipment						
Special Funds						24,128
	125,413	31,418	452,952	70,722	13,743	97,475
Total Other Academic:						
General Operating	232,221	153,685	6,383,600	729,278	152,336	1,830,208
Renovation and Equipment						
Total Operating	232,221	153,685	6,383,600	729,278	152,336	1,830,208
Research	1,969	491,153	221,015	46,020	13,472	742,785
Special Funds	3,552		1,184	533	106	362,598
	$ 237,742	$ 644,838	$ 6,605,799	$ 775,831	$ 165,914	$ 2,935,591

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 7,486	$ 359,631	$	$ 50,472	$ 309,159	$ 306,934	
9,838	266,824			266,824	262,845	
9,223	167,687	25,243	3,486	138,958	134,925	
26,547	794,142	25,243	53,958	714,941	704,704	1.5%
5,684	5,684			5,684	13,138	
	24,128			24,128	11,479	
32,231	823,954	25,243	53,958	744,753	729,321	2.1%
3,365,379	12,846,707	622,748	631,636	11,592,323	12,812,480	(9.5%)
329,292	329,292			329,292	428,998	
3,694,671	13,175,999	622,748	631,636	11,921,615	13,241,478	(10.0%)
100,105	1,616,519			1,616,519	1,071,537	
	367,973			367,973	269,311	
$ 3,794,776	$ 15,160,491	$ 622,748	$ 631,636	$ 13,906,107	$ 14,582,326	(4.6%)

Schedule 24 Net Library Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
Libraries:						
General Operating						
Dafoe Library	$ 2,150,002	$ 8,834	$ 3,352,936	$ 629,130	$ 124,286	$ 3,440,128
Dental Library	39,814		85,049	14,642	2,815	60,912
Law Library	121,545		246,001	42,054	8,323	368,148
Medical Library	206,492		397,476	68,066	13,611	499,076
St. John's College Library	58,883		50,329	11,420	2,461	711
St. Paul's College Library	50,751		83,231	9,075	3,017	35,485
	2,627,487	8,834	4,215,022	774,387	154,513	4,404,460
Renovation and Equipment						
Total Operating	2,627,487	8,834	4,215,022	774,387	154,513	4,404,460
Research		3,434	15,830	1,001	433	41,428
Special Funds	31,520		8,129	5,178	889	88,694
	$ 2,659,007	$ 12,268	$ 4,238,981	$ 780,566	$ 155,835	$ 4,534,582

Schedule 25 Net Student Services Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
General Operating						
Alumni Association	$	$	$ 58,454	$ 6,474	$ 1,330	$ 59,714
Chaplain's Office						3,128
Counselling Services	428,794	30,016	87,787	56,226	12,426	64,871
Financial Aid and Awards			202,597	24,868	4,563	21,991
Housing and Student Life			61,998	7,150	1,438	63,147
International Centre for Students	68,445		54,126	13,523	2,763	50,182
Native Student Advisor			28,969	3,904	652	3,964
Recreation and Athletics	620,336	118,531	1,057,738	159,426	41,943	1,212,836
Special Programming	267,847	236	101,865	37,617	8,375	87,102
U.M.S.U. Special Projects						17,300
University Health Services			289,860	27,127	6,590	150,760
	1,385,422	148,783	1,943,394	336,315	80,080	1,734,995
Renovation and Equipment						
Total Operating	1,385,422	148,783	1,943,394	336,315	80,080	1,734,995
Research			13,359	785	301	1,054
Special Funds	107,560	2,444	62,409	5,708	2,860	456,162
	$ 1,492,982	$ 151,227	$ 2,019,162	$ 342,808	$ 83,241	$ 2,192,211

		Deduct - Cost Recoveries		Net Expenditure		
Equipment Alter., Etc.	Gross Expenditure	Inter-Departmental Income	Other Income	March 31, 1991	March 31, 1990	% Increase (Decrease)
$ 262,851	$ 9,968,167	$ 11,190	$ 66,197	$ 9,890,780	$ 8,759,438	
1,500	204,732	51	2,442	202,239	231,160	
5,799	791,870		15,402	776,468	769,895	
2,922	1,187,643	735	6,180	1,180,728	1,129,488	
	123,804			123,804	112,400	
	181,559			181,559	171,409	
273,072	12,457,775	11,976	90,221	12,355,578	11,173,790	10.6%
15,000	15,000			15,000	15,000	
288,072	12,472,775	11,976	90,221	12,370,578	11,188,790	10.6%
11,767	73,893			73,893	69,813	
1,278	135,688			135,688	101,552	
$ 301,117	$ 12,682,356	$ 11,976	$ 90,221	$ 12,580,159	$ 11,360,155	10.7%

		Deduct - Cost Recoveries		Net Expenditure		
Equipment Alter., Etc.	Gross Expenditure	Inter-Departmental Income	Other Income	March 31, 1991	March 31, 1990	% Increase (Decrease)
$	$ 125,972		$	$ 125,972	$ 111,132	
	3,128			3,128	4,152	
18,345	698,465		10,446	688,019	756,800	
10,535	264,554			264,554	221,014	
	133,733		12,720	121,013	115,247	
3,803	192,842		93,575	99,267	71,024	
4,248	41,737			41,737	33,548	
115,387	3,326,197		2,212,833	1,113,364	942,438	
36,710	539,752		107,963	431,789	325,205	
	17,300			17,300	12,000	
5,904	480,241		242,070	238,171	239,291	
194,932	5,823,921		2,679,607	3,144,314	2,831,851	11.0%
7,351	7,351			7,351	12,717	
202,283	5,831,272		2,679,607	3,151,665	2,844,568	10.8%
	15,499			15,499	2,375	
242,571	879,714			879,714	642,409	
$ 444,854	$ 6,726,485		$ 2,679,607	$ 4,046,878	$ 3,489,352	16.0%

Schedule 26 Net Administration Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
General Operating						
President and Vice-Presidents' Offices	$ 801,861	$	$ 1,045,148	$ 191,044	$ 42,306	$ 658,375
Admissions Office			634,474	72,095	14,295	135,413
Board of Governors			105,048	11,600	2,374	80,339
Comptroller's Office			2,338,293	267,671	52,590	168,503
Employee Relations and Personnel			1,311,243	149,162	29,735	334,312
Institutional Analysis			267,063	30,432	6,034	13,709
Internal Audit			162,375	16,835	3,672	9,271
Legal Fees						252,898
Office Machine Services			140,140	17,627	3,156	224,608
Planning Office			164,521	18,104	3,715	9,611
Printing and Publications Services			609,144	74,536	13,903	836,016
Senate Secretariat	44,399		75,422	13,514	2,700	25,833
Student Records Office			741,092	79,889	16,692	372,143
Staff Benefits Office			279,081	32,251	6,289	63,522
University Relations and Information			179,677	20,743	4,049	401,051
	846,260		8,052,721	995,503	201,510	3,585,604
Renovation and Equipment						
Total Operating	846,260		8,052,721	995,503	201,510	3,585,604
Research		4,762		199	107	73,848
Special Funds		4,588	4,678	832	362	54,396
	$ 846,260	$ 9,350	$ 8,057,399	$ 996,534	$ 201,979	$ 3,713,848

Schedule 27 Net Physical Plant Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
General Operating						
Insurance			$	$	$	$ 411,993
Physical Plant			9,986,282	1,198,641	224,980	1,725,228
Post Office and Mail Service			215,672	24,879	4,854	1,003,813
Security			848,802	94,631	19,154	27,938
Utilities:						
Colleges						175,461
Fuel-Fort Garry						2,068,142
Fuel-Medical and Dental						1,069,300
Light, Power and Water						4,314,263
Telephone			52,910	6,956	1,191	2,138,546
Vehicle Fleet						42,937
Workers Compensation						596,065
			11,103,666	1,325,107	250,179	13,573,686
Renovation and Equipment						
Total Operating			11,103,666	1,325,107	250,179	13,573,686
Special Funds			3,108	136	83	
			$ 11,106,774	$ 1,325,243	$ 250,262	$ 13,573,686

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$ 65,273	$ 2,804,007	$ 21,905	$ 191,020	$ 2,591,082	$ 2,310,562	
5,319	861,596		208,943	652,653	670,920	
1,851	201,212			201,212	192,206	
29,099	2,856,156	692	69,697	2,785,767	2,605,478	
21,736	1,846,188		21,670	1,824,518	1,512,098	
749	317,987			317,987	315,877	
3,588	195,741			195,741	196,347	
	252,898			252,898	215,203	
121,658	507,189	683,749		(176,560)	(145,244)	
1,546	197,497			197,497	153,603	
290,350	1,823,949	1,422,938	477,717	(76,706)	97,020	
4,405	166,273			166,273	170,958	
8,396	1,218,212		132,157	1,086,055	974,188	
5,344	386,487		164,722	221,765	190,133	
2,909	608,429	265,972	4,831	337,626	335,631	
562,223	14,243,821	2,395,256	1,270,757	10,577,808	9,794,980	8.0%
73,830	73,830			73,830	59,809	
636,053	14,317,651	2,395,256	1,270,757	10,651,638	9,854,789	8.1%
26,660	105,576			105,576	78,588	
6,277	71,133			71,133	88,160	
$ 668,990	$ 14,494,360	$ 2,395,256	$ 1,270,757	$ 10,828,347	$ 10,021,537	8.1%

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31, 1991*	*March 31, 1990*	*% Increase (Decrease)*
$	$ 411,993	$	$	$ 411,993	$ 388,892	
948,558	14,083,689	382,096	755,780	12,945,813	12,687,992	
3,813	1,253,031	992,306	23,417	237,308	242,824	
9,234	999,759	707,000		292,759	257,492	
	175,461		41,042	134,419	120,938	
	2,068,142	170,850	874,663	1,022,629	875,302	
	1,069,300		43,237	1,026,063	1,070,437	
	4,314,263	69,770	728,120	3,516,373	3,437,142	
725	2,200,328	2,163,158	9,088	28,082	68,208	
199	43,136	70,010		(26,874)	(16,728)	
	596,065		55,917	540,148	428,562	
962,529	27,215,167	4,555,190	2,531,264	20,128,713	19,561,061	2.9%
2,138,010	2,138,010			2,138,010	2,497,629	
3,100,539	29,353,177	4,555,190	2,531,264	22,266,723	22,058,690	0.9%
	3,327			3,327		
$ 3,100,539	$ 29,356,504	$ 4,555,190	$ 2,531,264	$ 22,270,050	$ 22,058,690	1.0%

Schedule 28 Net General Expenditure by Account and Funding

	Salaries and Wages					
	Academic	*Special Academic*	*Support*	*Staff Benefits*	*Payroll Tax Levy*	*Supplies and Expenses*
General Operating						
Annual Giving Program			$ 59,623	$ 6,264	$ 1,171	$ 345,578
Calendars						59,298
Convocation			50,846	6,097	1,135	77,805
Handicapped Transport						2,232
Miscellaneous						26,538
Ombudsman			95,929	11,465	2,163	5,868
Outreach Programmes						27,710
Pharmacy			78,565	8,154	1,769	221,109
Playcare Centre			70,871	8,123	1,596	3,525
Private Funding			382,218	44,033	8,684	253,535
Retiring Allowances				27,555		
Rentals						
Supplementary Health & Dental				212,290		
Supplementary Pensions				901,317		
University Centre Management			335,303	32,476	7,549	108,823
United Appeal			1,567	73	35	3,844
			1,074,922	1,257,847	24,102	1,135,865
Renovation and Equipment						
Total Operating			1,074,922	1,257,847	24,102	1,135,865
Research						
Special Funds			4,944	197	111	1,807
			$ 1,079,866	$ 1,258,044	$ 24,213	$ 1,137,672
Total Schedules 22 to 28:						
General Operating	$ 87,296,154	$ 5,696,748	$ 52,279,982	$ 16,607,677	$ 3,259,326	$ 40,112,411
Renovation and Equipment						
Total Operating	87,296,154	5,696,748	52,279,982	16,607,677	3,259,326	40,112,411
Research	3,972,082	12,587,407	9,512,353	1,858,467	409,254	14,434,173
Special Funds	3,164,063	2,755,891	2,135,514	674,201	169,550	12,188,969
	$ 94,432,299	$ 21,040,046	$ 63,927,849	$ 19,140,345	$ 3,838,130	$ 66,735,553

		Deduct - Cost Recoveries		*Net Expenditure*		
Equipment Alter., Etc.	*Gross Expenditure*	*Inter-Departmental Income*	*Other Income*	*March 31. 1991*	*March 31. 1990*	*% Increase (Decrease)*
$ 1,754	$ 414,390		$	$ 414,390	$ 679,943	
	59,298		6,187	53,111	54,595	
	135,883			135,883	197,544	
	2,232			2,232	1,961	
	26,538			26,538	5,734	
6,584	122,009			122,009	106,747	
	27,710			27,710	20,977	
2,153	311,750		325,847	(14,097)	4,320	
994	85,109		56,729	28,380	11,696	
6,554	695,024			695,024	596,600	
	27,555		6,123	21,432	22,300	
808	808			808	3,176	
11,776	224,066			224,066	192,863	
	901,317		628,917	272,400	244,139	
54,276	538,427		366,044	172,383	409,765	
	5,519			5,519	5,870	
84,899	3,577,635		1,389,847	2,187,788	2,558,230	(14.5%)
					535	
84,899	3,577,635		1,389,847	2,187,788	2,558,765	(14.5%)
2,546	9,605			9,605	3,436	
$ 87,445	$ 3,587,240		$ 1,389,847	$ 2,197,393	$ 2,562,201	(14.2%)
$ 8,699,260	$ 213,951,558	$ 8,324,632	$ 13,600,182	$ 192,026,744	$ 181,063,092	6.1%
3,344,264	3,344,264			3,344,264	3,899,997	
12,043,524	217,295,822	8,324,632	13,600,182	195,371,008	184,963,089	5.6%
6,487,408	49,261,144			49,261,144	43,309,171	
1,118,642	22,206,830			22,206,830	20,222,777	
19,649,574	$ 288,763,796	$ 8,324,632	$ 13,600,182	$ 266,838,982	$ 248,495,037	7.4%

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Dr. John E. Abra Orthodontic Fund	$ 26,374	$ 2,824	$ 29,198
Dr. John Earl Abra Scholarship in Orthodontics	3,646	316	3,962
Sheppy I. Adler Memorial Scholarship	2,287	172	2,459
Rahul Aggarwal Book Prize	3,472	312	3,784
Agriculture Engineering Scholarship Fund	14,569	1,009	15,578
Agriculture Faculty Awards	9,344	806	10,150
Agriculture Reading Room	58,137	2,162	60,299
Sir James Aikins Prize Fund	16,445	1,374	17,819
Lloyd Aitken Memorial Bursary	13,332	1,001	14,333
Aaron Akman Scholarship Fund	5,649	507	6,156
Alberta Award - Faculty of Management	283	26	309
Dr. Frank Allen Medal Fund	2,766	232	2,998
Alpha Omega Scholarship	900	80	980
Altrusa Club of Winnipeg Award	7,052	569	7,621
Anatomical Research Fund	89,281	7,594	96,875
C.L. Anderson Feed-Rite Prize and Fellowship	159,864	13,957	173,821
Clara Kemila Anderson Memorial Fund	6,616	577	7,193
Arthur Anderson & Co. Fellowship	16,483	1,345	17,828
Frances J. Anderson Trust Fund	24,857	2,232	27,089
Irene Anderson Memorial Scholarship	15,379	1,287	16,666
T.A. (Stoney) Anderson Gold Medal	1,086	90	1,176
Armed Forces Memorial Award	8,923	790	9,713
The Henry Percy Armes Memorial Lectures Fund	18,252	1,430	19,682
Arts Student Body Council Bursary Fund	5,000	9	5,009
Asian Studies Centre	4,036	310	4,346
Doreen Ash Memorial Prize	1,673	143	1,816
Association of Professional Engineers of Manitoba Scholarships	9,873	869	10,742
Tania (Tye) Asper Memorial Prize	1,100	41	1,141
The Charles Lorraine Atkinson Fund	37,520	3,324	40,844
Isabel Auld Entrance Scholarship Trust Fund	2,432	198	2,630
A.J. Averbach Memorial Prize	1,000	90	1,090
Back to the Land Assistance Association Prizes	14,994	1,298	16,292
Bank of Montreal Professorship in International Finance	221,849	15,567	237,416
Rose Dora Baru Prize in Judaic Studies	1,809	157	1,966
Emma J. Bates Memorial Fund	10,185	914	11,099
Michael Beach Memorial Fund	3,097	278	3,375
Paul R. Beaudoin Memorial Geochemistry Scholarship	19,695	1,652	21,347
Ed & Evelyn Bell Bursary	3,413	291	3,704
C.K. Bell Memorial Research Fund	1,540	133	1,673
L. Nian Bellan Memorial Scholarship Fund	1,360	111	1,471
The Caroline Berbrayer Memorial Award	32,376	2,689	35,065
Prof. C.P. Bennett Thesis Award	3,063	275	3,338
Benidickson Reading Room	35,840	2,925	38,765
The R.H. Betts Lectures in Physical/Inorganic Chemistry	5,000	16	5,016
The Edith Rose Berger Scholarship in Judaic Studies	3,561	308	3,869
Harry Berger Scholarship Fund	4,456	382	4,838
Rozelle Berger Bursary	5,358	460	5,818
Edmund Berry Fund	17,756	1,184	18,940
Norman S. Bergman Bursary	1,204	106	1,310
Emil Bernier Memorial Scholarship Fund	1,404	122	1,526
Charles Biesick Memorial Bursary	7,550	663	8,213

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Bison Foundation	66,934		66,934
The Olafur Bjornson Prize	829	74	903
Lt. James Wallace Black Memorial Prize	2,294	196	2,490
Cecil Black Memorial Law Bursary	2,029	182	2,211
Cecil Black Memorial Prize in Current Legal Problems	1,851	166	2,017
Cecil Black Memorial Prize in Estate Planning	1,500	135	1,635
Tim Black Memorial Award	1,365	118	1,483
Dr. William Bloom Prize Fund	985	88	1,073
The Jack Blumberg Memorial Prize	1,024	92	1,116
Boise Cascade Scholarship	23,196	2,004	25,200
Dorothy M. Bolton Scholarship Fund	3,697	316	4,013
Botany Dalgarno Distinguished Vistor Award	27,101	2,480	29,581
The Ethel Louise (Armstrong) and John Esterbrook Botterell Fund	10,450	856	11,306
Dr. Paul Bookhalter Scholarship Fund	1,000	84	1,084
Dr. Manly Bowles Scholarship	3,838	332	4,170
The Honorable Richard S. Bowles, Q.C. Library Fund	15,542	1,049	16,591
Stella Boyd Memorial Scholarship	2,813	233	3,046
Professor E. Arthur Braid, Q.C. Fund	2,006	188	2,194
The Joe Brain Foundation Inc. Bursary Fund	10,591	921	11,512
Dr. George A. Brass Teaching Fund	26,137	2,133	28,270
Aaron Bricker Memorial Scholarship Fund	2,460	212	2,672
Bristol Aerospace Limited - Robert H. May Bursary	4,083	88	4,171
Bristol Aerospace Limited - W. Murray Auld Bursary	5,257	466	5,723
R.A. (Bob) Bristow Memorial Scholarship	1,065	89	1,154
Allan Bronfman Family Scholarship	45,068	3,901	48,969
The Rosa Brook Scholarship Fund	3,944	343	4,287
The Israel Brotman Memorial Bursary	2,437	219	2,656
Helen Broughton Prize	3,216	284	3,500
Estate of Dora M. Brown	28,948	2,301	31,249
Neil Kay Brown Memorial Bursary	5,287	475	5,762
Richard Brown Memorial Bursary	3,899	318	4,217
George Brownell Memorial Prize	19,589	1,702	21,291
Robert Bruce Memorial Bursary	4,584	393	4,977
Dr. Michael Bruser Memorial Bursary	8,742	758	9,500
Dr. Michael Bruser Memorial Fund	11,350	922	12,272
Nathan S. Bubbis Memorial Bursary	17,803	1,445	19,248
The Leslie F. Buggey Fund	64,827	5,019	69,846
Ted & June Burgess Bursary	11,886	1,034	12,920
The Manley Burshtein Memorial Bursary in Medicine	12,546	1,076	13,622
Sarah F. Burshtein Memorial Bursary	7,602	682	8,284
Dr. L.W. Caldbick Scholarship	2,633	228	2,861
James H. Cameron Scholarship	14,977	1,289	16,266
Janet Ian Cameron Memorial Bursary	2,674	226	2,900
The Caminetsky Prize in Pharmacology and Therapeutics	1,377	112	1,489
A. Lorne Campbell, Q.C. Fund	1,990	222	2,212
Canadian Society for Mechanical Engineering Gold Medal	1,380	114	1,494
Dr. and Mrs. Ralph Campbell Outreach Award	3,361	274	3,635
Dr. William F. Campbell Scholarship in Orthodontics	4,705	406	5,111
Dr. Peter E. Cansfield Chemistry Award	27	2	29
Canada Northlands Development Award	7,809	674	8,483
Patricia Card Memorial Bursary	1,773	165	1,938
C.A.R.M. - N.R.I. Endowment Scholarship Fund	5,628	484	6,112

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
E.V. Caton Memorial Scholarship	3,158	258	3,416
Centre for Accounting Research & Education	367,601	25,199	392,800
Cathay Pavilion Committee Endowment Fund	15,553	1,341	16,894
Centre on Aging	470,000		470,000
Chairman of the Board, Special Opportunity Trust Fund	1,223	100	1,323
Chair of Icelandic Language & Literature	225,418	0	225,418
Chair in Women's Studies	953,659	85,275	1,038,934
Chair of Management	675,670	52,240	727,910
Chair in Advanced Manufacturing Systems	8,547	730	9,277
The Chancellor's Prize Fund	4,009	346	4,355
The A. Jacob and Rosa Charles Award	2,074	179	2,253
Chemistry Graduate Students' Association Scholarship	4,063	363	4,426
Muriel Brooks Childerhose Memorial Scholarship	3,083	249	3,332
Alice M. Chisholm Bursaries	8,102	696	8,798
Charles Gray Chown Scholarship Fund	717,457	58,562	776,019
Dr. H.H. Chown Bursaries	9,556	825	10,381
W.J. Christie Memorial Bursary	11,157	963	12,120
A.J. Christie Prizes in Law	4,574	382	4,956
Colonel Edward Churchill Prize	2,025	174	2,199
Estate of Nancy Hetti Clark	8,622	704	9,326
Maurice Chusid Memorial Bursary	5,873	505	6,378
Class of Arts and Science '30 Prize	805	69	874
Dr. John W. Clay Medal Fund	2,141	176	2,317
John W. Clay Scholarship Fund	20,408	1,666	22,074
Cleft Palate Fund	10,087	1,322	11,409
Harold R. Coish Memorial Scholarship	12,435	1,078	13,513
Anne Cohen Memorial Bursary	11,528	1,030	12,558
Benjamin Cohen Scholarship	4,317	371	4,688
Sara and Moses Cohen Prize in Law	2,024	176	2,200
Dr. E.N. Cole Memorial Fund	2,803	252	3,055
Roma Collins Memorial Fund	722	69	791
Hazel G. Cook Memorial Cancer Research Bequest	171,965	14,036	186,001
Samuel Corman Memorial Bursary	2,264	203	2,467
James H. Cook Memorial Bursary	10,627	908	11,535
R.W. Cooke Memorial Scholarship	1,214	72	1,286
H.I. Corne Prize	1,695	146	1,841
Estate of Elva S. Corrigill	66,866	5,748	72,614
Dr. Vic Corroll General Proficiency Award	1,138	100	1,238
June Helen Coulter Memorial Fund	10,207	898	11,105
Peter L. Coultry Memorial Book Prize	1,253	112	1,365
Don Craik Memorial Library Fund	97,893	7,424	105,317
Don Craik Memorial Scholarship Fund	7,882	666	8,548
Bruce Currie Memorial Scholarship Fund	1,936	165	2,101
The Peter D. Curry Chancellor's Award	682	57	739
Estate of J. C. Dalgarno	156,980	13,092	170,072
Daly Scholarship in Physical Education	2,255	174	2,429
Catherine Elizabeth Davidson Bursaries in Medicine	3,543	308	3,851
Dental Faculty Women's Association Endowment Fun	2,196	139	2,335
Dental Museum - History	6,264	511	6,775
The Dr. N. Demchuk Award	3,818	330	4,148
Emilie Sumi Denney Scholarship	3,926	337	4,263
Development Fund		4,061	4,061
Estate of Dr. Agnes Isabelle Dodds	48,159	3,931	52,090
Murray S. Donnelly Award in Canadian Political Studies	3,111	260	3,371

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Joseph Doupe Medal Fund	9,567	782	10,349
Dr. Joseph Doupe Memorial Bursaries	4,283	385	4,668
The Ieleane Downey Memorial Book Prize	1,085	97	1,182
Anthony G. Draper Memorial Prize	838	73	911
The Drummond Scholarship Fund	117,462	9,862	127,324
Nicolas Dubick Memorial Bursary	8,335	704	9,039
B.B. Dubienski Memorial Scholarship	14,062	1,140	15,202
The Duckworth Fund	13,678	977	14,655
August Dyck Scholarship Fund	4,198	343	4,541
Frank Edick Memorial Prize	500	45	545
Grettir Eggertson Fund	15,104	1,233	16,337
The Mary Jane Ego Scholarship	7,071	614	7,685
Eleventh Field Ambulance Fund	1,024	83	1,107
Gissur Eliasson Memorial Scholarship	5,044	509	5,553
Miriam Green Ellis Fund in Animal Science	29,908	2,980	32,888
Miriam Green Ellis Fund in Plant Science	30,182	2,621	32,803
Employers' Association of Manitoba Scholarship in Commerce	15,479	1,338	16,817
Engineering Class of 46 Scholarship	21,244	1,882	23,126
English-Speaking Union of Canada Prize	1,193	105	1,298
Audrey Watts Ensminger and Frances Watts Johnson Scholarship	15,306	1,106	16,412
Esther Brina Erenberg Memorial Scholarship	2,405	207	2,612
Sarah Essers Book Prize	1,108	90	1,198
Estey Family Endowment Fund	53,560	4,818	58,378
The Ewart Chair of Constitutional Law	20,000		20,000
The John S. Ewart Memorial Fund	72,438	6,179	78,617
Facility Use Card Fund (Recreation & Athletics)	168,063		168,063
Faculty of Management Library Fund	68,629	4,601	73,230
Faculty of Dentistry Library Trust Fund	36,575	3,084	39,659
Douglas Bartlett Fahlgren Memorial Award	2,498	224	2,722
The Ethel M. Falardeau Scholarship (or Bursary) Fund	5,119	414	5,533
Dr. Ivy Falardeau Memorial Bursary Fund	21,669	1,769	23,438
William Fedorus Award	1,404	130	1,534
Dr. Elizabeth Feniak Fund	8,395	707	9,102
The E.P. Fetherstonhaugh Memorial Scholarship Fund	39,180	3,452	42,632
Financial Executives Institute (Wpg. Chapter) Scholarship	5,900	518	6,418
Fay Finestone Achievement Award	508	45	553
The David R. Finkelstein Memorial Bursary	3,562	320	3,882
Kenneth Finkelstein Prize in Sculpture	1,838	149	1,987
Miriam Finkelstein Memorial Bursary	2,694	242	2,936
Sam Finkle Memorial Bursary	28,234	2,522	30,756
Dr. Robert Fletcher Gold Medal in Education	937	77	1,014
Professor M.G.E. Forgay Endowment Fund	5,859	432	6,291
Fort Garry Chamber of Commerce Bursary	9,753	791	10,544
Alf Francis Memorial Prize	1,500	135	1,635
Dr. Margaret Rose Frances Award Fund	5,099	365	5,464
Heinz Frank Memorial Scholarship	14,051	1,140	15,191
Chief Justice Samuel Freedman Faculty of Law Fund	4,563	492	5,055
Dr. Joseph Freeman Memorial Book Prize	535	48	583
Dr. Christine Gaboury Memorial Fund	8,195	666	8,861
Jack Gallagher Visiting Lecturer Fellowship	75,000	2,872	77,872
Dr. H.P.H. Galloway Memorial Scholarship	21,266	1,868	23,134

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Dr. Matthew Henry Garvin Estate	20,481	1,736	22,217
Dona Pilley Gauthier Memorial Scholarship	127	19	146
General Trust	3,564,060	331,667	3,895,727
A. Baracos Geological Engineering Thesis Prize	2,094	184	2,278
Geological Engineering Entrance Scholarship	2,260	181	2,441
Morris and Bella Genser Bursary	3,391	304	3,695
Geriatric Medical Bursaries	3,609	295	3,904
The Gershfield Estate Scholarship	1,798	154	1,952
Alexander Gibson Memorial Lectureship Fund	271	22	293
J.M. Gilchrist Bursary	5,354	481	5,835
Thorsteinn J. Gislason Memorial Scholarship	16,082	1,444	17,526
S. Morris & Bertha Golden Scholarship Fund	5,235	455	5,690
R.R. Goodwin, Q.C. Memorial Fund	16,642	1,494	18,136
Mitch Gowler Memorial Fund	11,386	920	12,306
Sari Golden Memorial Bursary	2,604	224	2,828
Dr. Cyril H. Goulden Memorial Scholarship	4,751	410	5,161
Mr. and Mrs. S.W. Golden Prize	554	50	604
Graduate Award in Pharmacology and Therapeutics	1,180	96	1,276
Dr. John M. Grahame Scholarship Fund	8,240	713	8,953
Anne Grady Memorial Bursary	6,008	509	6,517
James H. Gray Medal Fund	716	59	775
Graduate Fellowships & Scholarships	40,981	3,676	44,657
Hart Green Junior Memorial Prize in Criminal Procedure	1,509	130	1,639
Dr. Norman H. Greenberg Memorial Book Award	550	49	599
Josephine and Louis Green Scholarship	1,150	103	1,253
Gilbert T. Gregory Memorial Prize	1,967	170	2,137
Edward Oliver Grimsdick Memorial Prize	1,107	94	1,201
Gershon and Adela Grubert Memorial Scholarship	7,236	620	7,856
Pall Gudmundson Scholarship Fund	134,392	11,243	145,635
Estate of Joseph E. Guertin	322,818	26,416	349,234
Dr. John A. Gunn Memorial Scholarship in Surgery	5,492	472	5,964
The Honourable Mr. Justice R.D. Guy Memorial Research Fund	14,707	1,200	15,907
Eldon Hagglund Memorial Acquisition Fund	80,525	7,114	87,639
Monty Hall Scholarship Fund	17,100	1,396	18,496
Hamilton Memorial Research Fund	20,000	1,855	21,855
Dr. F.W.L. Hamilton Scholarship Fund	7,404	641	8,045
William Leslie Haney Library Fund	7,541	649	8,190
Joan Harland Scholarship Fund	10,000	898	10,898
Gordon Harland Graduate Students Fellowship	6,467	281	6,748
Jack Hart Memorial Scholarship	521	42	563
Margaret Elder Hart Graduate Study Award	12,427	1,043	13,470
The Hart Scholarship in Classics	6,266	540	6,806
Viktor Havlicek Memorial Fund	13,048	1,165	14,213
Charles Hawkins Memorial Bursary	11,645	1,000	12,645
John W. Hawryluk Memorial Scholarship	31,714	2,606	34,320
Leonard Heaton Memorial Scholarship	21,398	1,850	23,248
Dr. Frank Hechter Book Award	4,700	422	5,122
Gerald M. Hechter Bursary in Engineering	12,862	1,109	13,971
Shirley Joy Hechter Memorial Award	3,061	265	3,326
Dr. Ted Hechter Scholarship Fund	963	86	1,049
Irving L. Hechter Book Award	11,223	674	11,897
Mary E. Hedley Fellowship	8,641	705	9,346

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Dr. R.L. Hedley Memorial Research Fund	12,449	1,016	13,465
Dale Henwood Lectureship	10,078	850	10,928
William J. Hill Memorial Fund	5,070	439	5,509
The Hirsch Memorial Prize	12,395	1,060	13,455
History Interdisciplinary Fund	2,865	234	3,099
Madge Hogarth Bursary Fund	11,932	1,071	13,003
The Alexandra Wrightson Hogg Scholarship	34,079	3,054	37,133
Dr. A.W. Hogg Bequest (Scholarships)	1,033,270	84,340	1,117,610
Reverend Joseph Hogg Scholarship	46,192	4,118	50,310
Abraham Bessie & Mina Hollenberg Bursary Fund	17,417	1,065	18,482
Dr. Esther Gorsey Hollenberg Memorial Bursary	25,793	2,348	28,141
Mrs. Edna S. Hollier Scholarship	21,996	2,003	23,999
Bernice and William Holub Medical Library Fund	5,525	496	6,021
Majorie A. Hoole Bursary	51,000	852	51,852
Home Economics Manitoba Association Bursary	6,390	555	6,945
Human Ecology Students' Society Bursaries	5,784	498	6,282
Edith F. Hudson Memorial Fund	35,871	2,928	38,799
The Hon. Mr. Justice Hudson Prize in Law	3,061	264	3,325
The Professor W.M. Hugill Memorial Scholarship	17,019	1,389	18,408
Estate of Lyla May Guest Hugill	112,659	9,144	121,803
Human Ecology 75th Anniversary Award	2,044	166	2,210
Dorothy Hunt Memorial Prize	483	43	526
Victoria Catherine Hull Memorial Award	6,946	596	7,542
Michael H. Hykawy Memorial Scholarship	9,783	615	10,398
The Marcus Hyman Memorial Scholarship	3,415	307	3,722
Molly Hyman Award in Art	394	35	429
Samuel Hyman Memorial Prize	1,761	153	1,914
Icelandic Language and Literature	472,288	38,243	510,531
Immunology Pharmacia	100,000	8,980	108,980
Imperial Seed Co. Ltd. Scholarship	30,310	2,573	32,883
Industrial Project Prize	4,623	371	4,994
Interlake Grassland Society Bursaries	15,281	1,314	16,595
Leonard Isaacs Scholarship	8,600	746	9,346
Isbister Scholarships	56,601	4,620	61,221
Sonia Roffman Isenberg Prize	765	64	829
Jared Israels Memorial Fund	22,659	1,932	24,591
Sarah and Simon Israels Memorial Lecture Fund	29,897	2,440	32,337
Msgr. John Iwanchuk Memorial Fund	11,223	898	12,121
Richard Jackson Memorial Bursary	7,292	632	7,924
The Dr. Elmer S. James Memorial Fund	48,444	4,073	52,517
Duncan J. Jessiman, Q.C., Prize	1,011	91	1,102
Dr. A.V. Johnson Memorial Book Prize	763	66	829
William A. Johnston, Q.C. Estate	682,498	52,692	735,190
Mary Hamilton Johnston Memorial Bursary	4,989	429	5,418
Marie Jomini Memorial Scholarship	3,748	321	4,069
Brad Jonk Memorial Award	1,213	102	1,315
C. Meredith Jones Memorial Scholarship	11,080	900	11,980
Alice Meredith Jones Memorial Bursary	30,060	2,682	32,742
Sophie Kanee Memorial Prize	1,105	96	1,201
Hung-Pin & Liu-Shih Kao Scholarship	3,200	276	3,476
Max Kaplan Prize in Legal Aspects of Business Planning	508	45	553

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Rose Kare Memorial Fund	2,000	180	2,180
The Sadie Karr Memorial Book Prize	1,122	101	1,223
Aaron Katz Memorial Scholarship	2,446	206	2,652
Walter Kaufmann Scholarship	562	46	608
The Frances and Hyman Kay Bursary	3,674	330	4,004
The Mr.and Mrs. Samuel Fred Kay Bursary	3,377	297	3,674
Dr. Frank Kennedy Memorial Fund	3,323	265	3,588
H.W. Kennedy Prize in Horticulture	2,301	207	2,508
Joan Kennett Memorial Award	791	68	859
E.B. Kernaghan Bursary	33,458	3,005	36,463
Kidney Transplant Program	43,951	3,432	47,383
Dr. Alvin Klady Memorial Fund	3,739	335	4,074
Klieforth Prize in American History	1,401	126	1,527
David and Marion Korn Award	2,501	215	2,716
Sheldon F. Kohn Bursary	4,566	410	4,976
Wladimir Kossar Memorial Scholarship	11,485	996	12,481
Knowles - Hawkins Memorial Bursary	13,331	1,054	14,385
Adalsteinn Kristjansson Scholarship	92,595	7,931	100,526
Leonard Krueger Centennial Award	1,780	152	1,932
Leonard Krueger Scholarship in Dentistry	1,231	108	1,339
Jack Kusch Memorial Prize	295	27	322
Mike Kupfer Memorial Award	3,879	339	4,218
Steve Kucyk Memorial Bursary	10,671	958	11,629
Landscape Architecture Award Fund	1,149	88	1,237
Dr. T.J. Lamont Memorial Prize Fund	21,309	1,739	23,048
Sarah Ann Lambert Memorial Fund	30,413	2,482	32,895
Dr. W.G. Lamberd Memorial Fund	2,474	219	2,693
C.E. L'Ami Prize in Slavic Studies	7,013	609	7,622
H.V. Larusson Memorial Prize	755	65	820
Law Society of Manitoba	20,000	1,788	21,788
Law Class of 1963 Fund	1,203	112	1,315
Law Class of 1955 Fund	4,977	551	5,528
Law Class of 1976 Fund	2,984	340	3,324
William & Joyce Lazer Scholarship in Marketing	2,883	227	3,110
The Rosabelle Searle Leach Scholarship	6,297	537	6,834
Law Class of 1980	1,051	1	1,052
Learned Societies Fund	106,994	10,566	117,560
Esther Leckie Memorial Prize	8,675	744	9,419
Dr. J.M. Lederman Memorial Fund	9,012	809	9,821
H. Lees Scholarship Fund	4,036	342	4,378
Legal Transactions Trust Account	21,864	1,777	23,641
Alexander Robert Leonard Scholarship	11,799	1,022	12,821
Ed Letinsky Annual Sketch Prize	324	26	350
Irving Levi Prize in Geology	357	32	389
David Levin Memorial Scholarship	3,248	263	3,511
J.S. Lightcap Fund	79,558	6,457	86,015
James Palmer Lewis Lectureship Fund	2,627	215	2,842
Life Underwriters Association of Canada Prize	4,487	388	4,875
The Winona Lightcap Memorial Scholarship	3,787	314	4,101
Professor Robert J. Lockhart Memorial Fund	48,274	3,951	52,225
Jack Roy Longstaffe Postgraduate Scholarships	33,805	3,913	37,718
The William McLeod Lougheed Memorial Bursary	8,167	707	8,874
Donald George M. Lougheed Memorial Scholarship	5,205	429	5,634
Dr. G. Lubinsky Memorial Scholarship	44,127	599	44,726

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Albert Lucas Prize Fund	1,658	143	1,801
Earl Lunsford Bursary	6,120	536	6,656
Elizabeth Luginbuhl Memorial Prize	8,281	663	8,944
Sterling Rufus Lyon Scholarship in Constitutional Law	5,868	527	6,395
Michael Lyseyko Memorial Scholarship	12,511	1,022	13,533
David Ian MacKenzie Medal in Zoology	1,571	130	1,701
Jack MacDonell Scholarship in Aging	28,260	2,414	30,674
MacLachlan-Hart Gold Medal Fund	2,788	230	3,018
Gordon Mackie Scholarship	3,799	337	4,136
John MacDiarmid Scholarship Fund	910	45	955
Estate of Joan MacLeod Bursaries in Science	10,000	47	10,047
Mar Foundation Fund for Chinese Studies	72,711	5,402	78,113
Manitoba Alfalfa Seed Producers Association Memorial Award	322	26	348
Manitoba Law Foundation Competition Support Fund	17,400	852	18,252
Mykyta I. Mandryka Scholarship	6,748	567	7,315
Laurell Maley Memorial Bursary Fund	8,601	724	9,325
Man. Dental & Man. Alumni Assoc. Fund	16,486	1,297	17,783
Manitoba Horticulturists Graduate Scholarship	8,871	780	9,651
Manitoba Naturalists Society Scholarship	7,197	619	7,816
Manitoba Diamond Jubilee Scholarship Fund	1,665	143	1,808
Manitoba Pharmaceutial Association Fund	64,514	5,292	69,806
Ralph Allan Mann Memorial Fund	16,799	1,371	18,170
Manitoba Dairy Association Prize	2,366	94	2,460
Connie and Major Margolis Bursary	4,708	407	5,115
Mr. and Mrs. Max Margolis Prize	4,951	445	5,396
Anne Matas Memorial Prize in English	1,338	120	1,458
The Honourable Mr. Justice R.J. Matas Memorial Fund	10,266	827	11,093
The Honourable Mr. Justice R.J. Matas Canadian Law School Bursary	4,165	358	4,523
Charles A. May Memorial Bursary	1,701	86	1,787
Jean & Joseph M. McCombe Memorial Prize	10,715	919	11,634
Dr. Clifford McCormick Memorial Fund	5,807	511	6,318
Donald S. McGiverin Fund	127,025	2,565	129,590
Dr. W.A. McElmoyle Memorial Bursary	14,087	1,205	15,292
The Robert & Lenore McGinnis Meritorious Student Award Fund	13,998	1,255	15,253
Mike McGuire Blasting Award	1,175	19	1,194
Donald K. McIvor Scholarship in Geology & Geophysics		93	93
The Alexander McIntyre Prize in Education	4,767	411	5,178
Allan McKean Memorial Scholarship	5,205	421	5,626
John McKechnie Memorial Scholarship	7,505	674	8,179
M.C.L. Bird Station Bursaries	14,446	298	14,744
Mrs. V. McLaughlin Memorial Award	350	30	380
Mona M. McLeod Award	814	52	866
Dr. Harry Percival McPhail Memorial Scholarship	8,249	741	8,990
Medal of Merit in Home Economics	4,848	397	5,245
Medical Faculty Women's Club Centennial Prize in Medicine	4,269	348	4,617
Medicine Class of 1969	14,995	1,067	16,062
Medical Research Fund	28,917	2,360	31,277
Medical Library Trust Fund	130,656	11,705	142,361
Betty Meltzer Memorial Prize	2,633	128	2,761

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Sara Meltzer Memorial Prize	6,071	521	6,592
Lillian Slusman Meyers Memorial Bursary in Medicine	546	44	590
Archie Micay, Q.C. Prize in Law	2,463	216	2,679
Christine Michalchyshyn Memorial Bursary	6,614	557	7,171
Estate of Sam Micsan	38,835	5,590	44,425
Roscoe R. Miller Scholarship	8,916	802	9,718
Allan R. Miller Scholarship	2,961	260	3,221
Esther & Samuel S. Milmot Scholarship	6,050	491	6,541
Leon Mitchell, Q.C. Prize in Labour Relations	3,425	302	3,727
Estate of Sydney L. Morantz	7,842	632	8,474
Jean Margaret Mitchell Memorial Award Fund	4,378	357	4,735
L.D. Morosnick Prize	1,604	138	1,742
Katherine M.S. Middleton Scholarship	41,255	3,653	44,908
Estate of Mona G. Morrison	2,685	238	2,923
Jean Morton Memorial Bursary	5,474	469	5,943
W.L. Morton Gold Medal in History	2,243	184	2,427
W.L. Morton Distinguished Lectureship Fund	5,052	277	5,329
George Mower Memorial Prize	647	58	705
Dan Muir Memorial Award	7,960	686	8,646
John Duncan Mundie Emergency Bursary Fund	167	1	168
Marguerite Murray Scholarship	18,024	1,462	19,486
Paul Myers Memorial Award	954	82	1,036
Terry Jon Myers Award	4,001	345	4,346
Nabisco Chair in Marketing	515,281	42,405	557,686
Neaman-Shenkarow Opportunity Fund	14,352	1,173	15,525
Samuel M. Neamtan Memorial Scholarship	6,604	576	7,180
The John A. Nevin Cattle Development Fund	207,368	17,882	225,250
Walter C. Newman Fund	11,318	915	12,233
Nicholson Memorial Fund	4,150	373	4,523
Dr. J.R.W. Nicholson Prize in Medicine	1,176	104	1,280
The Nickerson Prize in Pharmacology and Therapeutics	8,475	692	9,167
Burt Nitikman Memorial Lectures Fund	2,676	218	2,894
The Honourable I. Nitikman and Mrs. I. Nitikman Prize	1,598	138	1,736
The Alex Noble Memorial Scholarship	3,828	327	4,155
The George Alastair Noble Bursary	2,300	206	2,506
Bernard Noonan Memorial Fund	1,444	126	1,570
The Hon. John Norquay Scholarship	5,155	432	5,587
Northern Sales Co. Ltd. - C.O. Swartz Fund	44,646	4,029	48,675
Mark Lewis Nozick Memorial Scholarship	16,362	1,408	17,770
Nursing Education Endowment Fund	61,298	5,019	66,317
O.T. Memorial Bursary	1,090	68	1,158
Doreen O'Donnell Memorial Scholarship	5,049	453	5,502
Okamura Trust Fund	4,369	297	4,666
Old Age Pensions Society of Manitoba Incorporated	1,000	90	1,090
The Mindel and Tom Olenick Medal and Prize in Microbiology	5,590	455	6,045
William James Osborne Scholarship Fund	9,553	828	10,381
Dr. Morley Oretzki Scholarship Fund	2,131	183	2,314
Gordon P. Osler Fund	119,698	10,414	130,112
The Paterson Bursary	52,767	4,538	57,305
Halsey A. Park Memorial Prize	277	25	302

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Florence Nightingale Paulson Endowed Bursary Fund	1,893	159	2,052
Israel & Bessie Parr Bursary	3,809	309	4,118
Florence Pauls Prize in Nursing	1,863	161	2,024
Andrew & Nellie Pawlik Scholarship	10,402	934	11,336
Nels and Elvira Pearson Scholarship Fund	4,666	403	5,069
H.C. Pentland Memorial Fund	1,305	106	1,411
Personnel Association of Greater Winnipeg	1,483	121	1,604
Aaron Jenkins Perry Memorial Scholarship	57,231	4,627	61,858
Perth Services Ltd. Award	10,012	829	10,841
David Renfrew Petrie Memorial Medal	1,998	172	2,170
Mary Pflueger Memorial Scholarship/Bursary	3,384	179	3,563
Mary Pflueger Award	2,041	161	2,202
Petro-Canada Resources Endowment for Women in Engineering	51,859	4,103	55,962
Petro-Canada Resources Fellowship in Environmental Issues in Engineering	86,432	6,839	93,271
Richard (Dick) Lorne Pierce Memorial Bursary	3,102	268	3,370
Carol-Anne Plezia Memorial Bursary	15,504	1,303	16,807
Portnoy Prize Fund	1,953	159	2,112
Lillian & Ben Popeski Scholarship	1,019	73	1,092
Mr. & Mrs. Charles Portnuff Prize in Medicine	3,523	308	3,831
Estate of Thomas James Pounder	77,392	6,252	83,644
Baird Poskanzer Memorial Fund	6,503	531	7,034
Edward Ross Pressman Memorial Bursary	4,623	377	5,000
John Angus Prescott Memorial Book Prize	706	61	767
President's Research and Development Fund	56,105	3,914	60,019
President's Scholarship Fund	3,957	323	4,280
President's Special Projects Fund	4,236	345	4,581
Estate of J.M. Pritchard	10,000	898	10,898
Willard J. Condo Prosthodontic Bursary Fund	24,860	1,939	26,799
Protein & Polypeptide Hormone Trust Fund	1,392,788	113,685	1,506,473
Leon Provancher Prize in Systematic Zoology	7,299	620	7,919
The Prowse Prize	54,835	4,551	59,386
Psychology Alumni Faculty Scholarship Trust Fund	20,446	1,648	22,094
Dr. James Pullar Memorial Trust	28,841	2,338	31,179
The Jim & Gretina Purvis Studentship	33,054	2,163	35,217
The R.A.C. Memorial Scholarship	3,927	339	4,266
Dr. Maxwell S. Rady Scholarship in Obstetrics and Gynaecology	6,801	551	7,352
Dr. Maxwell S. Rady Scholarship	3,536	318	3,854
Josefine C. Rauch Memorial Prizes	6,412	576	6,988
Refresher Courses in Medicine	55,619	4,539	60,158
Dr. Marvin Raynes Memorial Prize	2,057	167	2,224
Donald Parker Reid Bursary in Medicine	18,080	1,550	19,630
Catherine Elizabeth Reimer Memorial Fund	3,510	301	3,811
Dr. Vernon B. Rhodenizer Graduate Scholarship	16,854	1,376	18,230
Jack Rice Memorial Scholarship	2,778	240	3,018
Marcel Richard Memorial Scholarship	11,746	953	12,699
The Marcel Richard - L'Alliance Francaise Prize	2,967	253	3,220
Cecil C. Richards Memorial Award	9,728	794	10,522
Mrs. Natalie Riedle Endowment Fund	83,266	7,450	90,716
Norman Ripley Scholarship Fund	100		100

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Charles B. Rittenhouse Memorial Scholarship	29,796	1,662	31,458
Mrs. Ethel Roberts Memorial Prize	1,803	155	1,958
Arlene Meredith Roberts and Dr. T.J. Speakman Memorial Research Fund	2,987	244	3,231
Mary L. Robertson Memorial Scholarship	1,929	162	2,091
Esther Robinson Scholarship	4,020	359	4,379
Estate of Alice Lyall Robertson	23,778	1,865	25,643
Maysie Roger Memorial Fund	9,455	808	10,263
Patricia Ruth Rogers Music Award	2,021	180	2,201
Phyllis May Rolfe Bursary	1,125	92	1,217
Rockefeller Foundation Fund	976,582	79,722	1,056,304
Dr. Sydney L. Rogers Scholar Fund	4,093	332	4,425
Arnold G. Rogers Medical Library Fund	12,066	1,040	13,106
The Dr. Nelles Rollins Memorial Bursary	9,964	974	10,938
Dr. Charlotte W. Ross Memorial Prize and Gold Medal	10,241	836	11,077
A. Allyn Rossen Award for Proficiency in Cardiovascular Investigation	8,943	767	9,710
Dr. & Mrs. Victor Rosenfield Fund	3,859	315	4,174
Nathan Rothstein Prize	1,627	140	1,767
Kenneth Roulston Memorial Scholarship	8,868	753	9,621
Nathan Rothstein Prize in Film Studies	4,493	381	4,874
Royal Air Force Auxiliary Memorial Scholarship	2,837	255	3,092
Elizabeth Lewis Rose Memorial Book Prize in Foods and Nutrition	808	69	877
Mark Rose Memorial Book Book Prize in Pharmacy	807	69	876
John L. Ross, Q.C. Moot Competition Travel Award	15,590	1,566	17,156
Jessie C. Russell Bursary	17,000	284	17,284
Major James B. Russell Bursary	17,000	284	17,284
Antoni and Helen Rudan Memorial Scholarship	3,190	271	3,461
J.B. Rumberg Memorial Fund	1,481	133	1,614
John A. Russell Alumni Bursary	25,478	2,176	27,654
G.S. Rutherford, Q.C. Memorial Fund	6,958	568	7,526
Bernice W. Safeer Prize	1,886	153	2,039
Rachel & Isaac Sair Scholarship	7,054	609	7,663
Dr. and Mrs. H.H. Saunderson Award Fund	69,208	5,943	75,151
Dr. H.H. Saunderson Award in Dentistry	6,265	544	6,809
The Anastasia Sawula Prize	1,686	136	1,822
School of Art Scholarship Fund	3,624	325	3,949
Dr. C. Schom Scholarship or Bursary	57,125	4,646	61,771
School of Physical Education Memorial Award	514	6	520
Paul Walter Schiewe Lecture Fund	6,586	538	7,124
Abraham Schwartz Prize	1,197	103	1,300
Arthur & Daphne Schwartz Endowment Fund	23,486	1,917	25,403
School of Music Faculty Scholarship	988	33	1,021
Fredrick Otto Schwartz Medical Library Memorial Fund	5,597	503	6,100
Bernard C. Schwartz Scholarship	38,372	3,165	41,537
Science Students' Association Honours Bursary	7,639	660	8,299
Seagram Visiting Lecture Fund	14,958	1,221	16,179
Lord Selkirk Association of Rupertsland Memorial Scholarship	15,917	1,406	17,323
Dr. Sunil K. Sen Scholarship	1,538	133	1,671
George H. Sellers Chair in Cancer Research	681,692	53,551	735,243
Gladys Waldman Shaffer Memorial Bursary	3,220	278	3,498

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Mr. and Mrs. Alexander Shack Prize in English	16,117	1,334	17,451
Mr. and Mrs. J.D. Shanski Bursary	8,587	697	9,284
John Shanski Physical Education Bursary	6,734	587	7,321
Philip Shane Memorial Bursary	9,974	881	10,855
John M. Sharp Memorial Fund	14,989	1,394	16,383
Clarence Bogardus Sharpe Memorial Scholarship	161,301	13,979	175,280
Dr. John P. Shaw Scholarship Fund	22,475	1,903	24,378
The Polly and George Sheps Prize	5,103	439	5,542
A. Mark Shinbane, Q.C. Law Library Fund	2,482	202	2,684
W.H. Shinn Memorial Bursary	7,530	652	8,182
Dr. Alvin Shinoff Medal	2,461	202	2,663
The Shnier Bursary	5,645	490	6,135
Mr. and Mrs. Max Shore Travelling Scholarship	7,308	628	7,936
Morris Shore Scholarship in Business Administration	13,269	1,098	14,367
Morris Shore Scholarship Fund	5,966	516	6,482
Mr. and Mrs. S. Sigurdson Memorial Scholarship	3,245	271	3,516
Dr. Walker W. Shortill Scholarship Fund	4,285	15	4,300
Edwin Silver Scholarship	1,482	121	1,603
The Mr. and Mrs. Saul Simkin Bursary in Medicine	4,249	369	4,618
Rubin Simkin Fund	8,181	700	8,881
Sinclair Bursaries	5,430	456	5,886
William J. (Bill) Sinclair Memorial Fund	4,560	372	4,932
Solomon Sinclair Endowment Fund	17,391	1,217	18,608
Sol & Elsie Sinclair Seminar Fund	43,832	3,523	47,355
The Robert Sirluck Scholarship in Canadian History	3,885	349	4,234
The Mr. and Mrs. J. Skaletar Memorial Scholarship	5,822	522	6,344
Mark Smerchanski Prize	1,027	88	1,115
Dr. Emanuel Snell Bursary	1,332	114	1,446
Dr. Elizabeth B. Smith Award	2,521	217	2,738
Grant Smith Memorial Bursary	71	6	77
W.D. Smith History Essay Prize	3,124	268	3,392
The Society of Management Accountants of Manitoba Prize - Robert Syme Memorial Scholarship	5,684	501	6,185
Lieutenant Morris Soronow Memorial Scholarship	2,134	183	2,317
Lieutenant M.M. Soronow Memorial Prize	1,540	133	1,673
Mrs. and Mrs. George Soudack Scholarship for the Humanities	4,588	374	4,962
Southam Inc-Winnipeg Tribune Archives		49	49
Students Emergency Loan Fund	5,017	442	5,459
Special Scholarships in Home Economics	24,168	2,086	26,254
Winthrop Spencer Scholarship Fund	8,989	729	9,718
Sport & Exercise Sciences Research Institute	698,594	53,152	751,746
Sports Camps/Mini-University	17,020	521	17,541
Morton Stall Memorial Scholarship	3,075	249	3,324
Olive Beatrice Stanton Award for Excellence in Teaching	42,874	3,810	46,684
Estate of Esther R. Steele	30,649	2,752	33,401
The Dr. Jon Stefansson Memorial Scholarship	6,989	628	7,617
Dr. Baldur Stefansson Award in Plant Science	10,293	369	10,662

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Veelia and Sharon Stern Memorial Award	13,239	1,130	14,369
A.M. Stewart Memorial Bursary	4,093	367	4,460
Paul Stewart Memorial Fund	1,735	142	1,877
Ronald K. Stewart-Hay Memorial Bursary	25,991	2,138	28,129
Doug Strang/Reid Crowther Memorial Scholarship	4,717	424	5,141
E.W. Stringham Award for Excellence in Animal Science	6,947	596	7,543
Student's Architectural Society Award	6,399	519	6,918
Summer Session Students' Council Memorial Bursary Fund	27,774	2,384	30,158
The Nathan Sures Scholarship	1,800	145	1,945
Edna Sutherland Bequest	34,950	3,144	38,094
The Frank Swift Fund	52,770	4,556	57,326
David L. Swancar Memorial Fund for Legal Research	7,608	615	8,223
Robert Syme Memorial Scholarship and Bursary	13,599	1,184	14,783
Wasyl Swystun Prize in Ukrainian Studies	923	83	1,006
Sam & Mary Szach Bursary	7,445	608	8,053
Hon. Mr. Justice Walter S. Tarnopolsky Travel Award	3,521	316	3,837
Lawrence Tapper Prize in Accounting	526	47	573
Dallas Taylor Memorial Prize	2,295	185	2,480
Dr. Ellen Fraser Taylor Faculty of Medicine Development Fund	279,199	24,841	304,040
Vic Taylor Prize	1,852	158	2,010
Nena Tessler Memorial Bursary	5,669	489	6,158
E.J. Thomas Prize	6,771	567	7,338
The Rhys Thomas Memorial Prize in Music	799	67	866
W.W. Thomson Scholarship Fund	19,019	1,627	20,646
Ernest Payson Thompson Memorial Bursary Fund	6,310	545	6,855
Elizabeth and Robert Tibbs Memorial Bursary	3,457	297	3,754
Jeffrey Tinkler Memorial Scholarship Fund	10,571	857	11,428
John R. Troniak Memorial Award Fund	6,613	594	7,207
Dr. J.R. Trott Memorial Fund	5,514	442	5,956
Alfred Rea Tucker Memorial Scholarship	75,588	6,539	82,127
Bessie Turner Memorial Prize	1,582	136	1,718
Keith Turner, Q.C. Memorial Fund	1,266	113	1,379
The Frederick W. Tuxworth Bursary	14,015	1,211	15,226
U. of M. Football Scholarship Fund	111,091	7,439	118,530
U. of M. Hockey Scholarship Fund	74,317	5,079	79,396
UMA Group - Faculty of Engineering	296	71	367
University Centre Management Group Fund	120,186	210	120,396
University Fund for Property Replacement	26,187	2,352	28,539
Gerry Stewart Varnes, Jr. Memorial Bursary	5,340	458	5,798
Jack S. Verner Memorial Scholarship	4,319	386	4,705
Vineberg Research Prize in Psychology	1,052	94	1,146
Garson N. (Gerry) Vogel Memorial Award	6,833	596	7,429
Christian Walker Memorial Bursary	20,072	1,697	21,769
Norma E. Watts Walker Award	4,731	400	5,131
Lila Wallace - Reader's Digest Endowed Scholarship Fund	137,901	11,917	149,818
Wallace and Akins Limited Bursary	13,957	1,206	15,163
Professor Sidney Warhaft Memorial Fund	12,065	1,017	13,082
Dr. L.A.H. Warren Chair in Actuarial Science	1,169,091	96,638	1,265,729
John Edward Watkins Memorial Scholarship	3,944	304	4,248

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Samuel Weiner Memorial Fund	50,168	4,218	54,386
Dr. T.R. Weir Award	2,000	45	2,045
H.E. Welch Award of Excellence in Zoology	2,663	273	2,936
The Harold E. Welch Memorial Graduate Scholarship	6,675	443	7,118
Margaret Westdal Scholarship	5,979	420	6,399
The Helga Nielson Westdal Memorial Bursary	3,506	305	3,811
Western Canada Recreation Studies Conference Scholarship	4,153	373	4,526
Isabel Wettlaufer Scholarship	1,043	92	1,135
Digby Wheeler Radiological, Educational and Fellowship Trust	1,115,228	99,580	1,214,808
E.L. Wright Memorial Scholarship Fund	3,950	344	4,294
Edith Williams Endowment Fund	14,213	1,065	15,278
J.C. Wilt Medical Microbiology Library Fund	2,507	224	2,731
Doris Irene Wilton Memorial Scholarship	15,232	1,317	16,549
Kathy Windsor Memorial Bursary	18,709	1,527	20,236
Dr. S.J. Winkler Memorial Award	6,020	513	6,533
Winnipeg Branch - Canadian Physiotherapy Association Loan Fund	1,955	159	2,114
Winnipeg Dental Society - Dentistry Research Fund	6,217	508	6,725
Morgan W. Wright Clinical Psychology Practicum Award	309	29	338
Winnipeg Music Competition Festival Scholarship	4,964	424	5,388
Don Wright Scholarships in Music Education	33,755	2,876	36,631
Winnipeg Women's Air Force Auxiliary Memorial Bursary	7,015	607	7,622
Jack Woodhouse Memorial Bursary Fund	2,791	242	3,033
J. Wolinsky Scholarship	13,048	1,148	14,196
Philip Yaffe Memorial Prize	6,964	588	7,552
A. Yaciw Fund for Ukrainian Studies	20,002	1,796	21,798
Dr. A.A. Yauniskis Memorial Scholarship Fund	12,783	1,110	13,893
Dr. Tet Pin Yong Award in Undergraduate Surgery	3,782	310	4,092
Sarah Zarow Prize in Prosthodontology	313	29	342
Gregory Stephen Zazulak Memorial Prize	103	9	112
Mary and Joe Zeal Prize	1,512	131	1,643
Pauline and Samuel Zinman Prize in Constitutional Law	1,609	139	1,748
Zonta Club of Winnipeg Bursary	6,171	533	6,704
Reserve for Income Allocations		1,206,647	1,206,647
Collegiate Award Fund:			
Carman Collegiate Award Fund	287	23	310
Pierre-Radisson Collegiate Award Fund	36	3	39
St. John's Collegiate Award Fund	191	16	207
Springfield Collegiate Award Fund	734	60	794

Schedule 29 Trusts and Endowments

	Capital Account	*Current Account*	*Total*
Development Fund:			
Faculty of Agriculture	354,733	14,276	369,009
Faculty of Architecture	153,908	6,689	160,597
Faculty of Arts	106,806	4,527	111,333
Faculty of Science	337,361	13,281	350,642
Faculty of Management	103,717	5,387	109,104
Faculty of Dentistry	207,098	9,228	216,326
Faculty of Education	235,266	8,088	243,354
Faculty of Engineering	641,177	25,266	666,443
Faculty of Human Ecology	158,572	6,525	165,097
Faculty of Law	120,796	5,034	125,830
Faculty of Medicine	307,288	12,972	320,260
Faculty of Social Work	26,400	1,125	27,525
Faculty of Pharmacy	65,792	2,751	68,543
School of Art	9,202	464	9,666
School of Music	19,161	827	19,988
Faculty of Physical Education & Recreational Studies	33,118	1,015	34,133
School of Nursing	84,671	3,068	87,739
Library Acquisitions	44,681	3,427	48,108
General Endowment	35,889	2,732	38,621
Scholarships	14,159	1,107	15,266
Fellowships	6,892	507	7,399
Research	10,036	756	10,792
Equipment	3,751	273	4,024
Support Staff Projects	23,024	1,919	24,943
Landscaping (University)	9,569	621	10,190
Continuing Education Division	30,514	1,159	31,673
Faculty of Management Student Placement Officer	21,784	1,630	23,414
Geological Sciences	40,486	1,422	41,908
St. Paul's College	24,713	2,507	27,220
Deferred Gifts	227	11	238
Suspense	869	71	940
Library Endowment	39,605	1,865	41,470
University College	29,657	1,037	30,694
Student Affairs	6,113	208	6,321
Medical Rehabilitation	6,432	191	6,623
Centre for Ukrainian Canadian Studies	133,764	4,892	138,656
Dept. of City Planning	9,832	279	10,111
Landscape Architecture	4,241	91	4,332
Imperial Oil Fund	307,324	13,954	321,278
George Weston Ltd. Fund		1,573	1,573
Subtotal: The University Investment Trust Fund	$ 30,113,098	$ 3,474,686	$ 33,587,784

Schedule 29 ***Trusts and Endowments***

	Capital Account	*Current Account*	*Total*
Specific Trusts:			
Agriculture & Home Economics Loan Fund	23,007	6,737	29,744
Frank W. Buchanan Memorial Award	10,000	115	10,115
Estate of Gertrude E. Childs	6,075	1,235	7,310
Development Fund:			
Unrestricted	2,310,530	416,223	2,726,753
University Downtown Centre	2,360,715	416,349	2,777,064
University Hall	807,946	221,049	1,028,995
Phone/Mail Campaign	1,783,184	264,977	2,048,161
1989/90 Annual Giving	336,933	15,527	352,460
1990/91 Anual Giving	187		187
St. John's College		16,287	16,287
Joseph Doupe Building Fund		464,669	464,669
Lawrence Genser Music Scholarship	10,733	3,714	14,447
Institute for Technological Development	47,319	6	47,325
Dr. A.W. Hogg Faculty Loan Fund	70,214	54,232	124,446
International Centre for Students Loan Fund	35,190	14,652	49,842
Dr. Ellis J. Jarjour Fund	1,000	176	1,176
W.K. Kellogg Medical Student Loan Fund	43,327	26,905	70,232
W.K. Kellogg Dental Student Loan Fund	62,465	45,388	107,853
R.G. & E.M. Knight Fund	1,434,715	7,231	1,441,946
MacLachlan Charitable Trust Fund	150,000	179,586	329,586
Dr. Lorne E. Maclachlan Educational Endowment Fund	50,000	10,116	60,116
Irwin H. Mael Pharmacy Loan Fund	876	569	1,445
Manitoba Dental Hygiene Loan Fund	14,368	11,095	25,463
Manitoba Dental Wives Loan Fund		3,896	3,896
Manitoba Medical College Foundation Trust Fund	86,269	63,387	149,656
Medical Faculty Trust Fund	3,553,787	271,873	3,825,660
Medical Faculty Women's Club Loan Fund	3,261	2,348	5,609
Archie Micay Q.C. LL.D. Award in Law	11,365	1,495	12,860
Mr. Honourable Israel & Dorothea Nitikman Prize	2,000	298	2,298
Dr. D.B. Proctor Loan Fund		20,568	20,568
R.C.N.V.R. Student Loan Fund	15,163	11,613	26,776
H.E. Sellers Chair of Medicine	1,769,973	123,028	1,893,001
Leslie Michael Shelton Memorial Scholarship	18,466	2,290	20,756
University of Manitoba Students' Union - University Centre Building Fund		270,811	270,811
Dr. Max Wachnow Orthodontic Scholarship	7,500	2,841	10,341
Subtotal: Specific Trusts and Endowments	15,026,568	2,951,286	17,977,854
Total Trusts and Endowments, Schedule 15	$ 45,139,666	$ 6,425,972	$ 51,565,638

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Trustees of the University of Manitoba Pension Plans

To the Legislative Assembly of Manitoba

We have audited the statement of net assets available for contribution accounts of the University of Manitoba Pension Plans as at December 31, 1990 and the statements of change in net assets available for contribution accounts and investment income for the year then ended. These financial statements are the responsibility of the Plans' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Plans as at December 31, 1990 and the results of their operations for the year then ended in accordance with the accounting policies stated in notes 1 and 2 to the financial statements.

Fred H Jackson

Winnipeg, Manitoba
March 19, 1991

F. H. Jackson, CA
Provincial Auditor

Statement A

THE UNIVERSITY OF MANITOBA
PENSION PLANS

Statement of Net Assets Available for Contribution Accounts
As at December 31, 1990
(with 1989 figures for comparison)

ASSETS	1990	1989
Held by Assurance Company (Schedule 1) (Note 2)	$ 19,359,354	$ 19,960,173
Held by a Trust Company (Schedule 1) (Note 2)	277,301,594	280,212,569
Contributions Receivable	77,935	67,924
Accrued Income Receivable	4,588,117	4,034,397
TOTAL	301,327,000	304,275,063
LIABILITIES		
Amounts Payable and Benefits in Process	469,444	2,311,592
NET ASSETS AVAILABLE FOR CONTRIBUTION ACCOUNTS	$300,857,556	$301,963,471
CONTRIBUTION ACCOUNTS:		
The University of Manitoba Pension Plan (1970)		
Members:		
Regular	$129,917,299	$130,102,621
Voluntary	4,919,206	5,271,284
	134,836,505	135,373,905
University:		
Regular	126,090,259	125,971,718
General	15,136,201	15,419,420
	141,226,460	141,391,138
	276,062,965	276,765,043
The University of Manitoba G.F.T. Pension Plan (1986)		
Members:		
Regular	9,515,872	10,100,519
Voluntary	1,389,081	1,439,200
	10,904,953	11,539,719
University Regular	13,800,236	13,569,082
Supplementary	89,402	89,627
	24,794,591	25,198,428
NET ASSETS AVAILABLE FOR CONTRIBUTION ACCOUNTS	$300,857,556	$301,963,471

(The accompanying Notes, pages 1 to 6, and Schedule form an integral part of the Financial Statements)

THE UNIVERSITY OF MANITOBA
PENSION PLAN (1970)

Statement of Change in Net Assets Available for Contribution Accounts
For the year ended December 31, 1990
(with 1989 figures for comparison)

	Member Accounts		University Accounts		Total	Total
	Regular	Voluntary	Regular	General	1990	1989
INCREASE IN ASSETS						
Contributions:						
Members	$ 7,410,507	$ 21,810	$	$	$ 7,432,317	$ 6,894,198
University			7,410,507		7,410,507	6,871,453
Transfer from other Plans	15,264		10,012		25,276	42,655
Withdrawal Credits				134,790	134,790	202,939
	7,425,771	21,810	7,420,519	134,790	15,002,890	14,011,245
Investment (Loss) Income (Statement D)	(266,587)	(17,880)	(251,732)	(65,116)	(601,315)	38,884,089
	7,159,184	3,930	7,168,787	69,674	14,401,575	52,895,334
DECREASE IN ASSETS						
Retirement Benefits	4,637,328	227,130	4,458,208		9,322,666	10,150,739
Supplementary Pension (Note 7 [iii])				352,893	352,893	332,459
Refunds and Annuity Purchases	290,351		254,754		545,105	986,561
Transfers to other Plans	1,938,617	116,932	1,937,571		3,993,120	3,218,096
Benefits provided on members death	478,210	11,946	399,713		889,869	660,329
	7,344,506	356,008	7,050,246	352,893	15,103,653	15,348,184
NET (DECREASE) INCREASE FOR THE YEAR	(185,322)	(352,078)	118,541	(283,219)	(702,078)	37,547,150
BALANCE AT JANUARY 1	130,102,621	5,271,284	125,971,718	15,419,420	276,765,043	239,217,893
BALANCE AT DECEMBER 31	$129,917,299	$4,919,206	$126,090,259	$15,136,201	$276,062,965	$276,765,043

(The accompanying Notes, pages 1 to 6, and Schedule form an integral part of the Financial Statements)

Statement C

THE UNIVERSITY OF MANITOBA
G.F.T. PENSION PLAN (1986)

Statement of Change in Net Assets Available for Contribution Accounts
For the year ended December 31, 1990
(with 1989 figures for comparison)

	Member Accounts		University			
	Regular	Voluntary	Regular	Supplementary	Total 1990	Total 1989
INCREASE IN ASSETS						
Contributions:						
University	$	$	$ 958,499	$	$ 958,499	$ 887,926
Investment (Loss) Income (Statement D)	(38,437)	(3,831)	(24,629)	(225)	(67,122)	3,657,006
	(38,437)	(3,831)	933,870	(225)	891,377	4,544,932
DECREASE IN ASSETS						
Retirement Benefits	205,240		241,098		446,338	251,503
Transfers to other Plans	340,970	46,288	461,618		848,876	1,394,030
	546,210	46,288	702,716		1,295,214	1,645,533
NET (DECREASE) INCREASE FOR THE YEAR	(584,647)	(50,119)	231,154	(225)	(403,837)	2,899,399
BALANCE AT JANUARY 1	10,100,519	1,439,200	13,569,082	89,627	25,198,428	22,299,029
BALANCE AT DECEMBER 31	$ 9,515,872	$1,389,081	$ 13,800,236	$ 89,402	$ 24,794,591	$25,198,428

(The accompanying Notes, pages 1 to 6, and Schedule form an integral part of the Financial Statements)

Statement D

THE UNIVERSITY OF MANITOBA
PENSION PLANS
Statement of Investment Income
For the year ended December 31, 1990
(with 1989 figures for comparison)

	1990	1989
ADDITIONS		
Assurance Company Deposits and Pooled Funds	$ 667,948	$ 2,574,614
Interest:		
Cash Balances	24,628	31,628
Short Term Notes	3,109,123	3,971,422
Mortgages	5,840	10,989
Government and Corporate Bonds	11,727,152	10,590,533
Dividends:		
Stock - Canadian	3,278,360	3,240,042
Stock - Foreign	864,777	728,407
Real Estate	470,749	349,265
Net Increase in accrued income at December 31	553,720	248,129
	20,702,297	21,745,029
Adjustments:		
Net realized (loss) gain on sale of securities	(2,121,103)	5,247,844
Adjustment relative to assets held by Trust Company of book values to market values	(18,506,443)	16,254,528
	(20,627,546)	21,502,372
	74,751	43,247,401
DEDUCTIONS		
Administrative Expenses:		
External Agencies' management fees	581,300	560,181
University of Manitoba administration charge (Note 3)	161,888	146,125
	743,188	706,306
INVESTMENT (LOSS) INCOME FOR ALLOCATION	$ (668,437)	$42,541,095
ALLOCATED TO:		
The University of Manitoba Pension Plan (1970) (Statement B)	$ (601,315)	$38,884,089
The University of Manitoba G.F.T. Pension Plan (1986) (Statement C)	(67,122)	3,657,006
	$ (668,437)	$42,541,095

(The accompanying Notes, pages 1 to 6, and Schedule form an integral part of the Financial Statements)

THE UNIVERSITY OF MANITOBA
PENSION PLANS

Notes to the Financial Statements
December 31, 1990

ACCOUNTING POLICIES

1. The annual financial statements of The University of Manitoba Pension Plans, being The University of Manitoba Pension Plan (1970) and The University of Manitoba G.F.T. Pension Plan (1986), are prepared on an accrual basis. The financial statements do not take into account actuarial valuations and therefore do not reflect the financial position of the Plans on an actuarial valuation basis.

2. For the purpose of preparing the financial statements and calculating the investment loss/income to be distributed to the Contribution Accounts, the following basis of valuing assets is used:

   Held by Trust Company:

   Short Term Investments and Mortgages at cost.
   Bonds, Stocks and Real Estate Pooled Fund at market.

   Held by Assurance Company:

   Investments of the pooled funds are valued at market.

3. The University of Manitoba administration charged to the Plans represents an expenditure for staff time committed to the daily administration of the Plans. All other administrative expenses which include computer facilities, office equipment and supplies, consulting and actuarial fees are borne by The University of Manitoba.

GENERAL COMMENTS

4. For the purpose of allocating investment loss/income to the contribution accounts the investment loss/income is determined quarterly. Investment loss/income for a quarter consists of income and realized and unrealized capital gains or losses, except for unrealized capital gains or losses on mortgages. Expenses chargeable to the Plans are deducted before any distribution is made. Net investment loss/income is distributed pro-rata to all accounts based on the number of units held by such accounts at the beginning of the quarter.

THE UNIVERSITY OF MANITOBA
PENSION PLANS

Notes to the Financial Statements
December 31, 1990

5. The University of Manitoba G.F.T. Pension Plan (1986) was established effective January 1, 1986 for staff members employed as Geographical Full-Time Staff of the Faculty of Medicine. At January 1, 1986, there was a transfer of the sum of the amounts described in the Memorandum of Agreement and Release signed by eligible staff members who had previously contributed to the University of Manitoba Pension Plan (1970). The 1986 transfer of liability from The University of Manitoba Pension Plan (1970) to The University of Manitoba G.F.T. Pension Plan (1986) terminated the staff member's membership in the former Plan. The establishment of the separate Plan did not involve any separation of assets.

6. The University of Manitoba Pension Plans are Trusteed Plans. The assets are held in the name of The Trustees of The University of Manitoba Pension Plans. There are seven Trustees, one appointed by the Board of Governors of The University of Manitoba and six elected by the contributors to the Pension Plans from within the Plan membership. The University of Manitoba administers the Pension Plans under the terms of an agreement entered into with the Trustees dated December 31, 1973 as amended as of January 1, 1986.

7. The University of Manitoba Pension Plan (1970)

   (i) Membership in the Plan is a condition of employment for staff members with a full-time continuing appointment, other than staff members eligible for membership in the University of Manitoba G.F.T. Pension Plan (1986). Part-time staff who meet specified requirements are eligible to become members of the Plan. Part-time staff employed for at least three years on a sessional basis or at least 50 percent of the standard worktime during each pay period must participate in the Plan. Staff appointed on or after January 1, 1984 who meet the employment and earnings requirement of the Pension Benefits Act of the Province of Manitoba must also participate in the Plan. The requirement is employment during two consecutive calendar years, in each of which basic salary has been at least equal to 25 percent of the Canada Pension Plan Maximum Pensionable Earnings for that calendar year. Any part-time staff member employed for at least two consecutive years may elect to be a member of the Plan.

(ii) The Plan provides that each Member shall have:

(a) an Employee Contribution Account which is credited with the Member's regular contributions and the account's share of investment income,

(b) a University Contribution Account which is credited with contributions equal to the Member's regular contributions and the account's share of investment income.

At retirement the proceeds of the Member's two accounts are applied to purchase a life annuity from a licensed insurance company based on the election made by the Member. This is referred to as the Member's Basic Pension or Money Purchase Pension. The Plan provides that a retiring Member will receive a minimum pension based on an approved formula encompassing the average of the Member's best five years basic salary and years of service. To the extent that a Member's Money Purchase Pension is less than the guaranteed amount, the Member will receive a Supplementary Pension to increase the pension to the required level.

On termination of employment other than by retirement, a Member may elect to:

- have the proceeds of the two accounts either applied to purchase a life annuity from a licensed insurance company, or be transferred to another Registered Employee Pension Plan, or, provided the administrator of the Plan agrees to administer the Plan in accordance with the provision of the Pension Benefits Act of the Province of Manitoba, to a Registered Retirement Savings Plan or,

- receive a cash payment of their Employee Contribution Account, excluding any portion thereof which is subject to the locking-in requirements of the Pension Benefits Act of the Province of Manitoba. The locking-in applies equally to the University Contribution Account.

The benefit on death prior to retirement is equal to the Member's Contribution Accounts except that amount, if any, represented by the Member's University Contribution Account, contributions and earnings, between April 1, 1979 and December 31, 1984.

(iii) Since 1970, the Supplementary Pension payments have been made from the University General Account. Funds for the University General Account normally originate from the following:

(a) that portion of a Member's University Contribution Account which is excluded from the benefit payable on death prior to retirement or is forfeited when a terminating Member elects a cash settlement of his or her pension accumulation,

(b) the annual payment required to amortize the unfunded liability of the Plan, as established by the University's actuary, paid into the University General Account by the University from its Fund Account for Benefit Improvement and Maintenance,

(c) pro-rata share of net investment income.

8. The University of Manitoba G.F.T. Pension Plan (1986)

(i) Membership in the Plan is a condition of employment for staff members of the Faculty of Medicine who sign a Geographical Full-Time Agreement.

(ii) The Plan provides that each Member shall have:

A University Contribution Account which is credited with the University's regular contribution and share of investment income.

This account for any Member who was a Member of The University of Manitoba Pension Plan (1970) includes the University Contribution Account transferred from that Plan. Such Member also has an Employee Contribution Account which is credited with the Employee Contribution Account transferred and share of investment income.

At retirement the proceeds of the Member's account(s) are applied to purchase a life annuity from a licensed insurance company based on the election made by the Member. This is referred to as the Member's Basic Pension or Money Purchase Pension. The Pension Benefits Act of the Province of Manitoba requires that Members' Basic Pensions shall regardless of sex, be the same monthly amount. Annuities purchased from an insurer will, due to life expectancy, normally provide a lower benefit for a female than a male. To the extent that amounts are available in the Supplementary Account, the "equal benefit" requirement will be satisfied by providing females with a supplementary pension to bring them up to the Basic Pension that would have been paid to a male. Should these funds be insufficient, an alternative means of complying with the "equal benefits" requirement will be adopted.

On termination of employment other than by retirement, a Member may elect to:

- have the proceeds of the account(s) either applied to purchase a life annuity from a licensed insurance company, or be transferred to another Registered Employee Pension Plan, or, provided the administrator of the Plan agrees to administer the Plan in accordance with the provision of The Pension Benefits Act of the Province of Manitoba, to a Registered Retirement Savings Plan.

A Member who had contribution accounts transferred from The University of Manitoba Pension Plan (1970) may elect to receive in lieu of the above:

- a cash payment of their Employee Contribution Account, excluding any portion thereof which is subject to the locking-in requirements of the Pension Benefits Act of the Province of Manitoba. This component, as well as the component of the University Contribution Account which is subject to the lock-in, will be applied to provide income at retirement.

Notes to the Financial Statements
December 31, 1990

The benefit on death prior to retirement is the total of the Account(s) except that amount, if any, represented by the Member's University Contribution Account, contribution and earnings, between April 1, 1979 and December 31, 1984.

(iii) The purpose of the Supplementary Account is to provide Supplementary Pensions for female Members. Funds for the Supplementary Account normally originate from the following:

(a) that portion of a Member's University Contribution Account which is excluded from the benefit payable on death prior to retirement or forfeited when a terminating Member elects a cash settlement of his or her pension accumulation,

(b) pro-rata share of net investment income.

9. Actuarial valuations of The University of Manitoba Pension Plans were completed during 1990 as of December 31, 1989. Effective with the December 31, 1989 valuation, the method of valuing assets for funding purposes was changed. A smoothing technique was introduced whereby gains and losses (realized and unrealized) are amortized over a period of five years including the year in which the gain or loss occurs. Previously, assets were valued at market. The valuations reported that the Plans were fully funded with no requirement for special payments. The Valuation Reports have been filed with and accepted by the Manitoba Pension Commission. Valuation of the Plans will be undertaken again as of December 31, 1991.

10. The year-end market value of mortgages is disclosed as supplementary information only. Market value of mortgages is not used in the determination of investment income. The market figure shown for mortgages was taken from the investment summaries provided by the custodian, Canada Trust Company.

THE UNIVERSITY OF MANITOBA PENSION PLANS
Investments at December 31, 1990
(with 1989 figures for comparison)

	1990	1989
Held by Assurance Company; Market Value (Statement A) (Note 2)		
Transaction Account	$ 486,761	$ 207,341
Money Market Fund	5,511,541	5,706,579
Mortgage Fund (Cost, 1990 - $1,706,709; 1989 - $1,589,125)	1,653,096	1,564,873
Bond Fund (Cost, 1990 - $4,463,548; 1989 - $4,893,920)	4,421,748	4,933,120
Canadian Equity Index Fund (Cost, 1990 - $2,960,383; 1989 - $2,712,209)	3,053,940	3,433,954
Canadian Equity (Cost, 1990 - $1,332,853; 1989 - $1,175,480)	1,202,700	1,185,578
Foreign Equity Fund (Cost, 1990 - $1,502,994; 1989 - $1,253,327)	1,606,014	1,479,242
Real Estate Fund (Cost, 1990 - $1,298,591; 1989 - $1,239,725)	1,423,554	1,449,486
	$19,359,354	$ 19,960,173
Held by Trust Company (Statement A) (Note 2)		
Cash and Short Term Notes	$ 28,680,248	$ 24,767,073
Bonds - Canada, Provincial and Provincial Guaranteed (Cost, 1990 - $66,280,990; 1989 - $63,872,283)	67,958,707	64,883,281
Bonds - Corporate (Cost, 1990 - $53,984,847; 1989 - $58,096,105)	52,753,010	57,952,275
Stocks - Canadian (Cost, 1990 - $87,602,074; 1989 - $75,724,684)	93,661,170	99,637,869
Stocks - American Foreign (Cost, 1990 - $19,565,457; 1989 - $18,499,185)	29,697,017	28,981,509
Real Estate - Pooled Fund (Cost, 1990 - $3,944,096; 1989 - $3,444,097)	4,504,097	3,920,137
Mortgages (Market 1990 - $46,966; 1989 - $68,838) (Note 10)	47,345	70,425
	$ 277,301,594	$ 280,212,569

Haworth & Company
CERTIFIED GENERAL ACCOUNTANTS

260-1630 Ness Avenue
Winnipeg, Manitoba R3J 3X1
Telephone (204) 786-8760
Fax (204) 783-0421

NOTICE TO READER

We have compiled these statements of University of Manitoba Research Ltd. We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Haworth & Company

Certified General Accountant

Winnipeg, Manitoba
July 30, 1991

UNIVERSITY OF MANITOBA RESEARCH LTD.

BALANCE SHEET
(Unaudited - see notice to reader)
As at March 31, 1991

ASSETS

	1991
Current:	
Bank	$ 1,504
Accrued interest receivable	165
Term deposit	67,779
	$ 69,448

LIABILITIES AND SHAREHOLDER'S EQUITY

Current:	
Accounts payable	$ 635
Due to The University of Manitoba	48
	683
Shareholder's Equity:	
Capital Stock:	
Authorized:	
200 Class I Common Shares	
Unlimited Class A non-cumulative, non-participating Preferred shares, redeemable at $100	
Issued:	
200 Class I Common Shares	200
Contributed Surplus	100,000
Deficit	31,435
	68,765
	$ 69,448

The accompanying notes are an integral part of these financial statements.

UNIVERSITY OF MANITOBA RESEARCH LTD.

STATEMENT OF OPERATIONS AND DEFICIT

For the Year Ended March 31, 1991

	1991
Revenue:	
Investment income	$ 5,822
Expenses:	
Accounting and legal	955
Bank charges	36
Office expenses	24
Telephone	559
	1,574
Net income for the year before adjustments	4,248
Net loss of Subsidiary Company	43
Net income for the year	4,205
Deficit, beginning of year	35,640
Deficit, end of year	$31,435

The accompanying notes are an integral part of these financial statements.

UNIVERSITY OF MANITOBA RESEARCH LTD.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1991

1. Status and Nature of the Corporation:

University of Manitoba Research Ltd., (UMR), was incorporated as a wholly-owned subsidiary of The University of Manitoba in 1984. The corporation was activated in August 1986 through the establishment of a Social Sciences Division.

The Social Sciences Division of the corporation conducted primarily contract research and survey research in the social sciences for private and public enterprise. Except for wind-up activity, the Social Sciences Division ceased operations on August 31, 1988. The corporation is currently inactive.

The University of Manitoba Research and Development Corporation, (UMRD), a wholly-owned subsidiary of University of Manitoba Research Ltd., was incorporated in 1984, activated in January 1988, and ceased operations in August 1988. The corporation is currently inactive.

2. Significant Accounting Policies:

These financial statements have not been consolidated with those of the inactive subsidiary, The University of Manitoba Research and Development Corporation. The investment in the subsidiary corporation has been accounted for on the equity basis of accounting principles.

3. Services Provided by The University of Manitoba:

The University of Manitoba provides the services of certain of the senior officers of the corporation at no charge to the corporation.

Haworth & Company
CERTIFIED GENERAL ACCOUNTANTS

260-1630 Ness Avenue
Winnipeg, Manitoba R3J 3X1
Telephone (204) 786-8760
Fax (204) 783-0421

NOTICE TO READER

We have compiled these statements of University of Manitoba Research and Development Corporation. We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Haworth & Company

Certified General Accountant

Winnipeg, Manitoba
July 30, 1991

UNIVERSITY OF MANITOBA RESEARCH AND DEVELOPMENT CORPORATION

BALANCE SHEET

AS AT MARCH 31, 1991

ASSETS

Due from University of Manitoba Research Ltd.	$ 3,148

LIABILITIES

Accounts payable	75

SHAREHOLDER'S EQUITY

Capital Stock:	
Authorized:	
200 Class I Common Shares	
Unlimited Class A non-cumulative, non-participating Preferred shares, redeemable at $100	
Issued:	
200 Class I Common Shares	200
Retained Earnings:	
Beginning of Year	2,916
Net loss for the year	43
End of Year	3,073
	$ 3,148

The accompanying notes are an integral part of these financial statements.

THE UNIVERSITY OF MANITOBA RESEARCH AND DEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1991

1. Status and Nature of the Corporation:

The University of Manitoba Research and Development Corporation was incorporated as a wholly-owned subsidiary of University of Manitoba Research Ltd. in 1984. The Corporation was activated in January 1988, and ceased operations in August 1988. The Corporation is currently inactive.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the statement of financial position of The University of Winnipeg as at March 31, 1991 and the statement of changes in fund balances for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 1991 and the changes in fund balances for the year then ended in accordance with the accounting policies described in the summary of accounting principles and practices.

F. H. Jackson, CA
Provincial Auditor

Winnipeg, Manitoba
June 26, 1991

THE UNIVERSITY OF WINNIPEG
STATEMENT OF FINANCIAL POSITION
as at March 31, 1991
(with comparative figures for 1990)

ASSETS

	1991 $000	1990 $000
Investments (Note 1 & Schedule 1)	$ 3,624	$ 3,175
Accounts Receivable & Prepaid Expenses (Note 2)	1,115	730
Inventory (Note 3)	517	425
	5,256	4,330
Investments Held for Trust and Endowment Fund (Note 1 & Schedule 1)	8,385	8,181
Fixed Assets: (Note 4)		
Buildings and Sites	49,235	48,122
Equipment and Furniture	12,215	11,299
Library Books	9,153	8,571
	70,603	67,992
	$84,244	$80,503

Approved by the Board of Regents

H. Secter
Chairman

C. Pappas
Chairman, Finance Committee

LIABILITIES

	1991 $000	1990 $000
Bank Overdraft	$ 165	$ 107
Accounts Payable	1,420	1,926
Deferred Income	1,683	790
Accounts Held for Special Purposes	355	329
	3,623	3,152
Early Retirement Agreements (Note 12)	361	116
Mortgage Payable (Note 5)	513	525
Fund Balances: (Statement II)		
Operating Fund		
University	648	248
Early Retirement Appropriation (Note 12)	(1,416)	(479)
	(768)	(231)
Collegiate	192	227
Ancillary Services	241	179
Sponsored Research	487	431
Special Provisions	816	533
	968	1,139
Trust and Endowment Fund	8,764	8,178
	9,732	9,317
Investment in Fixed Assets (Schedule 2)	70,015	67,393
	$84,244	$80,503

See Summary of Accounting Principles and Practices and the Accompanying Notes and Schedules.

THE UNIVERSITY OF WINNIPEG
STATEMENT OF CHANGES IN FUND BALANCES

for the year ended March 31, 1991
(with comparative figures for 1990)

	OPERATING FUND		
	University $000 (Schedules 4 & 5)	Collegiate $000 (Schedule 6)	Ancillary Services $000 (Schedule 7)
Revenues and Other Additions:			
Universities Grants Commission	$21,101	$	$
Government Grants	100	764	
Student Fees	9,226	1,288	
Gifts, Grants & Bequests	114		
Investments	481		
Other	900	163	2,118
	31,922	2,215	2,118
Expenditures and Other Deductions:			
Academic	19,101	1,307	
Research	97		
Library	2,254	17	
Academic Support	1,455		
Student Services & Awards	815	38	
Administration & General	4,271	130	
Plant Maintenance	2,825	129	
Other Expenditure	521	198	2,016
Equipment & Renovations		429	30
	31,339	2,248	2,046
Interfund Transfers (Schedule 3)	(12)	100	
Net Change before Appropriations	571	67	72
Appropriations:			
Special Provisions	(171)	(102)	(10)
Early Retirement (Schedule 11)	(937)		
Net Change for Year	(537)	(35)	62
Balances Beginning of Year	(231)	227	179
Balances End of Year, Statement I	$ (768)	$ 192	$ 241

Statement II

OPERATING FUND			TRUST and ENDOWMENT FUND	TOTAL	
Sponsored Research $000 (Schedule 8)	Capital $000 (Schedule 9)	Special Provisions $000 (Schedule 10)	$000 (Schedule 12)	1991 $000	1990 $000
$	$ 1,569	$	$	$22,670	$21,646
725				1,589	1,583
				10,514	9,183
			1,126	1,240	1,621
			698	1,179	995
631				3,812	3,696
1,356	1,569		1,824	41,004	38,724
				20,408	19,385
1,416				1,513	1,392
			29	2,300	2,199
				1,455	1,414
			434	1,287	1,209
				4,401	4,114
				2,954	2,834
	40		571	3,346	2,705
	1,529			1,988	1,404
1,416	1,569		1,034	39,652	36,656
116			(204)		
56			586	1,352	2,068
		283			
				(937)	(280)
56		283	586	415	1,788
431		533	8,178	9,317	7,529
$ 487		$ 816	$ 8,764	$ 9,732	$ 9,317

See Summary of Accounting Principles and Practices and the Accompanying Notes and Schedules.

SUMMARY OF ACCOUNTING PRINCIPLES AND PRACTICES

A. These financial statements have been prepared with no material exceptions in accordance with generally accepted accounting principles for universities.

B. The University employs fund accounting procedures in order to recognize restrictions placed upon the use of resources. Two funds are maintained - the Operating Fund and the Trust and Endowment Fund. However, to provide a total presentation for the University, these funds have been combined in the Statement of Financial Position.

C. The Operating Fund contains the following fund account balances which reflect the various separately financed functions recognized by the Board of Regents within the University:

University - the general operating revenue and expenditure of the University.

Collegiate - revenue and expenditure of the Collegiate Division.

Ancillary Services - the operations of the bookstore, residences, food services and parking.

Sponsored Research - revenue and expenditure from sponsored research.

Capital - expenditures funded by Universities Grants Commission capital grants.

Special Provisions - appropriations of fund account balances made by the Board for specific purposes.

D. The Trust and Endowment Fund contains donations and bequests which may have restrictions on their use. Unless specified to the contrary, all funds are pooled for investment purposes and the resulting income is distributed to the individual accounts.

E. These financial statements are prepared on an accrual basis, with the exception of Student Fees - Regular and Other, for which the portion relating to the period after March 31 is not deferred; the government grant to the Collegiate Division, which is taken into income for the year ended March 31; and vacation entitlement relating to the year ended March 31 which is not accrued.

F. Capital expenditures are recorded during the year in the fund account from which they were made. At the fiscal year-end non replacement purchases are added both to the appropriate fixed asset account and to the offsetting account for investment in fixed assets. For replacement purchases, the cost is left at the amount recorded for the original assets. Asset disposals are recorded at the original or estimated cost and reduce the fixed asset and the investment for fixed asset accounts. No depreciation is charged.

G. Equipment and renovation expenditures are charged to the departments incurring them, unless the expenditures are funded out of Universities Grants Commission capital grants or out of the Trust and Endowment Fund in which case the expenditures appear in the Capital Fund Account or in the Trust and Endowment Fund respectively.

H. Assets being acquired under capital leases are not included in fixed assets until the option to purchase has been exercised.

Notes to the Financial Statements

1. Investments

Investments are recorded at cost. The Operating Fund's investments comprise short-term notes whose market value approximates their cost. The market value of the Trust and Endowment Fund is disclosed as supplementary information only.

2. Accounts Receivable

Student fees receivable form $42,871 (1990 - $44,526) of the accounts receivable balance, which also includes an allowance for doubtful accounts of $22,309 (1990 - $24,829).

3. Inventory

This balance comprises the Bookstore inventory of $440,311 (1990 - $354,039), and the Printing inventory of $76,865 (1990 - $70,670), both valued at the lower of cost or net realizable value.

4. Fixed Assets

The Fixed Assets are shown at the values established in the following appraisals with all subsequent additions recorded at cost, except for replacement purchases whose treatment is described in the Summary of Accounting Principles and Practices, Note F.

Land	Royal Trust Co.	March 31, 1968
Buildings	National Appraisal Consultants Ltd.	March 31, 1978
Equipment, Furniture and Library Books	General Appraisal Co.	February 21, 1967

The balance for Buildings and Sites contains an amount of $74,071 which is not reflected in the offsetting Investment in Fixed Assets account. This comprises property acquisition costs during the period 1979 to 1984, for which government funding has not yet been received.

5. Mortgage Payable

This liability consists of:

Canada Mortgage and Housing Corporation
5 3/8% mortgage due April 2, 2012 $513,195 (1990 - $525,180).

The annual payments of $40,054 on the CMHC mortgage are financed by a special grant from the Universities Grants Commission.

6. Interfund Balances

As of March 31, 1991, the Trust and Endowment Fund owed $99,882 (1990 - $109,289) to the Operating Fund.

7. Other Expenditure

Included in the expenditure totals on Statement II is an amount of $559,504 (1990 - $524,673) representing the Manitoba Health and Post Secondary Education Tax Levy.

8. Capital Lease

The University has lease obligations, with the option to purchase, of $548,361 (1990 - $471,272) of computer equipment. The latest lease expiry date is May 31, 1995. The leasing costs are charged to operating expenditure.

9. Property Taxes

Property taxes, except those on property held for future expansion and for investment, are not shown in the accounts of the University. The Universities Establishment Act provides that such property is not subject to taxation. During 1990-91, the Government of the Province of Manitoba provided the City of Winnipeg with a grant in lieu of taxes for the University amounting to $1,816,800 (1990 - $1,599,970).

10. Investment Income

The Trust and Endowment Fund investment income is shown net of administrative expenses. Net gains on sale of investments and capitalized income are included in Investment Income on Statement II.

11. University of Winnipeg Pension Plan

The University of Winnipeg Pension Plan is a Trusteed Plan established November 1, 1977. A Pension Committee supervises the administration of the Plan, monitors the performance of investments and makes policy recommendations to the Board of Regents. The University matches the regular pension contributions made by the employees to the Pension Plan. In 1990, the University contributed $1,091,603 (1989 - $1,017,393).

An actuarial valuation of the plan was completed during 1988 as of December 31, 1987. This valuation showed a surplus of $442,000 after the implementation of certain improvements. Any unfunded liability that may arise from future valuations will be funded by the University since this is a defined-benefit plan. The Pension Plan statements do not form part of the University's financial statements.

Certain additional pensions totalling $68,557 (1990 - $64,906) are paid out of the Operating Fund.

12. Early Retirement Plan

The University has entered into individual agreements with employees on the basis of an Early Retirement plan approved by the Board of Regents. The current arrangements, which were in effect from May 1, 1988 to December 31, 1990, provide for retirement payments to be paid partly on retirement and partly on January 1 of the following three years. The University expects to fill the vacant positions thus created at a lower cost and the annual savings will first offset these retirement costs and then provide significant budgetary flexibility to the University in the future. The payback period for the amortization of these costs is estimated to average three years.

13. Computer Network

The Universities Grants Commission paid $38,413 (1990 - $36,743) to the University of Manitoba to provide computer services to the University of Winnipeg. This amount is not reflected in the accounts of the University of winnipeg.

14. Pledges Receivable

The estimated realizable value of pledges receivable at March 31, 1991 from the University's Strengthening the Links Capital Campaign is $879,645. These pledges are expected to be collected over the next two years and will be recorded as revenue when received.

15. Reclassification of Comparative Figures

Certain 1990 comparative figures have been reclassified to conform with the financial presentation adopted for 1991.

Summary of Investments

Schedule 1

	March 31, 1991 Market	March 31, 1991 Cost	March 31, 1990 Cost
Bonds and Debentures			
Government of Canada	$ 1,527,523	$ 1,480,295	$ 597,027
Provincial	1,025,393	1,057,645	798,023
Corporate	1,286,961	1,287,047	2,060,629
	3,839,877	3,824,987	3,455,679
Stocks	2,178,818	1,962,541	1,704,687
Property	400,000	287,408	287,408
Short Term Notes, Commercial Paper and Treasury Bills	5,933,687	5,933,687	5,908,524
Total Investments	$12,352,382	$12,008,623	$11,356,298

Held for:			
Operating Fund, Statement I	$ 3,624,060	$ 3,624,060	$ 3,175,037
Trust and Endowment Fund			
Mennonite Studies	637,142	615,418	638,834
Pooled	8,091,180	7,769,145	7,542,427
Statement I	8,728,322	8,384,563	8,181,261
Total Investments	$12,352,382	$12,008,623	$11,356,298

Investment in Fixed Assets

Schedule 2

	March 31, 1991	March 31, 1990
Additions:		
Equipment and Furniture	$ 942,929	$ 580,376
Renovations	1,113,185	729,022
Library Books	581,668	609,918
Mortgage Principal Reduction	11,985	11,366
	2,649,767	1,930,682
Deductions:		
Disposals	(27,287)	(5,150)
	2,622,480	1,925,532
Balance Beginning of Year	67,392,889	65,467,357
Balance End of Year, Statement I	$70,015,369	$67,392,889

Interfund Transfers

Schedule 3

	---------- Operating Fund		----------	Trust and Endowment Fund
	University	Collegiate	Sponsored Research	
Research	$	$	$ 815	$ (815)
Academic Expenditures	95,760			(95,760)
Administration and General Expenditures	(72,536)		115,184	(42,648)
Academic Support	14,917			(14,917)
Equipment and Renovations	(50,000)	100,000		(50,000)
March 31, 1991, Statement II	$(11,859)	$100,000	$115,999	$(204,140)
March 31, 1990	$ 71,661		$132,530	$(204,191)

University Revenues and Other Additions

Schedule 4

	1991	1990
Universities Grants Commission:		
Operating	$20,962,878	$20,154,946
Supplementary	138,262	131,025
	21,101,140	20,285,971
Government Grants:		
Provincial	99,655	59,230
Federal		6,182
	99,655	65,412
Student Fees:		
Regular	6,785,021	5,838,666
Spring and Summer	699,922	654,981
Non-Credit	1,258,808	1,200,277
Other	481,776	383,068
	9,225,527	8,076,992
Other Grants	114,292	112,274
Investments	481,154	313,552
Other:		
Contracts	592,014	718,401
Miscellaneous	308,392	224,148
	900,406	942,549
Total Revenues and Other Additions, Statement II	$31,922,174	$29,796,750

University Expenditures and Other Deductions

	Academic Salaries	Support Salaries	Benefits
Faculty of Arts and Science			
Anthropology	$ 345,180	$ 5,154	$
Biology	987,725	54,834	
Chemistry	567,644	18,486	
Classics	234,302	1,154	
Economics	390,929	5,102	
Education	203,148	1,329	
English	1,269,381	21,207	
French	400,868	6,859	
Geography	944,929	14,164	
German	170,517	3,860	
History	1,115,373	6,531	
Mathematics	671,259	26,148	
Philosophy	429,301	5,390	
Physics	453,136	15,212	
Political Science	629,531	8,490	
Psychology	1,257,067	36,737	
Recreation & Athletics	193,189	3,528	
Religious Studies	242,666	980	
Sociology	1,005,817	14,273	
Theatre	473,421	22,006	
Summer and Evening	650,814	59,445	
Graduate Studies		30,178	
Faculty Travel & Professional Development			
Dean's Office	264,565	1,036,269	
Benefits			1,506,879
	12,900,762	1,397,336	1,506,879
Faculty of Theology	182,504	51,395	24,423
Other Academic			
Continuing Education	517,570	410,606	45,289
Contracts	230,345	113,516	7,479
Other	112,094		8,744
	860,009	524,122	61,512
Total Academic	13,943,275	1,972,853	1,592,814
Research			
Sub-total	13,943,275	1,972,853	1,592,814

Schedule 5

Other Expense	Recoveries	TOTAL	
		1991	1990
$ 11,795	$	$ 362,129	$ 344,984
88,233		1,130,792	1,063,372
54,431	(900)	639,661	630,357
1,786		237,242	210,647
3,707		399,738	385,310
10,305		214,782	166,277
21,423	(10,469)	1,301,542	1,288,185
3,654		411,381	400,497
43,436		1,002,529	986,333
2,109		176,486	161,329
6,291		1,128,195	1,120,868
15,867		713,274	689,631
3,343		438,034	420,117
20,200		488,548	448,610
7,176		645,197	586,355
44,017		1,337,821	1,289,546
11,971		208,688	212,873
3,743		247,389	222,249
7,597		1,027,687	1,021,043
32,248		527,675	475,568
48,883	(35,490)	723,652	648,110
45,552		75,730	60,642
161,471		161,471	176,369
229,427	216	1,530,477	1,487,316
		1,506,879	1,245,923
878,665	(46,643)	16,636,999	15,742,511
122,214	(816)	379,720	335,185
445,132		1,418,597	1,440,241
153,171		504,511	467,862
39,894		160,732	87,892
638,197		2,083,840	1,995,995
1,639,076	(47,459)	19,100,559	18,073,691
97,116		97,116	73,791
1,736,192	(47,459)	19,197,675	18,147,482

University Expenditures and Other Deductions

	Academic Salaries	Support Salaries	Benefits
Academic and Research - forward	13,943,275	1,972,853	1,592,814
Library		1,338,118	122,729
Academic Support			
Computing		367,092	34,163
Media		251,444	22,637
Technical Services		357,131	40,847
		975,667	97,647
Student Services			
Athletics		498,810	49,308
Counselling		239,787	22,061
		738,597	71,369
Administration and General			
Administration		985,257	143,940
Controller		621,994	75,743
Records, Admissions and Awards		608,640	61,104
Printing		241,025	28,560
University Relations		260,090	29,574
Child Care		404,407	35,008
Employee Relations		242,756	22,842
		3,364,169	396,771
Plant Maintenance			
Maintenance		1,036,071	119,673
Cleaning			
Repairs			
Utilities			
Insurance			
Security			
		1,036,071	119,673
Other Expenditure			
Equipment and Renovations			
TOTAL, Statement II	$13,943,275	$ 9,425,475	$ 2,401,003

Schedule 5

Other Expense	Recoveries	TOTAL	
		1991	1990
1,736,192	(47,459)	19,197,675	18,147,482
810,658	(17,375)	2,254,130	2,152,211
321,323	(31,175)	691,403	691,673
75,658	(12,057)	337,682	322,255
45,113	(16,689)	426,402	399,791
442,094	(59,921)	1,455,487	1,413,719
352,718	(339,070)	561,766	553,961
4,326	(13,409)	252,765	230,154
357,044	(352,479)	814,531	784,115
285,863	(21,205)	1,393,855	1,412,946
140,366	(87,393)	750,710	665,994
129,943	0	799,687	717,805
328,409	(384,403)	213,591	176,276
123,277	(11,275)	401,666	401,030
26,639	0	466,054	397,359
17,067	(36,649)	246,016	229,132
1,051,564	(540,925)	4,271,579	4,000,542
22,008	(329,633)	848,119	751,767
442,798		442,798	453,840
272,975		272,975	290,055
926,876		926,876	904,327
133,098		133,098	135,993
201,180		201,180	175,457
1,998,935	(329,633)	2,825,046	2,711,439
520,693		520,693	504,320
			18,817
$ 6,917,180	$(1,347,792)	$31,339,141	$29,732,645

Collegiate Division Schedule 6

	1991	1990
Revenues and Other Additions:		
Provincial Government Grants	$ 763,711	$ 831,623
Student Fees	1,287,894	1,106,882
Other	163,340	160,954
Total Revenues and Other Additions	2,214,945	2,099,459
Expenditures and Other Deductions:		
Salaries	1,193,377	1,155,353
Benefits	113,332	156,043
	1,306,709	1,311,396
Allocated Costs:		
Library	17,375	16,548
Student Services	38,488	36,655
Administration and General	129,818	113,161
Plant Maintenance	129,003	122,860
Other	197,775	215,799
Equipment and Renovations	429,016	64,833
Total Expenditures and Other Deductions	2,248,184	1,881,252
Interfund Transfer	100,000	
Net Change, Statement II	$ 66,761	$ 218,207

Ancillary Services

	Bookstore	Residence
Revenues and Other Additions	$1,858,351	$
Expenditures and Other Deductions:		
Salaries and Benefits	240,642	
Cost of Goods Sold	1,402,753	
Supplies and Expenses	52,830	
Maintenance and Administration	73,584	
	1,769,809	
Equipment and Renovations		
	1,769,809	
Net Change 1991, Statement II	$ 88,542	
Net Change 1990	$ 77,312	$ (19,201)

Schedule 7

Food Service	Parking	TOTAL	
		1991	1990
$ 117,503	$ 142,578	$2,118,432	$1,972,444
	493	241,135	190,820
		1,402,753	1,331,004
9,799	81,322	143,951	140,092
104,412	50,964	228,960	232,570
114,211	132,779	2,016,799	1,894,486
29,787		29,787	
143,998	132,779	2,046,586	1,894,486
$ (26,495)	$ 9,799	$ 71,846	$ 77,958
$ 10,302	$ 9,545	$ 77,958	

	Balance March 31, 1990	Revenue	Expenditure	Interfund Transfers	Balance March 31, 1991
Government Grants					
Natural Sciences & Engineering	$ 124,082	$ 366,146	$ 364,591	$ 815	$ 126,452
Social Sciences & Humanities	180,043	308,087	287,485		200,645
Other	22,592	50,867	50,387		23,072
	326,717	725,100	702,463	815	350,169
Other	104,756	630,523	713,315	115,184	137,148
		$1,355,623	$1,415,778	$ 115,999	
Balance End of Year, Statement II	$ 431,473				$ 487,317

Capital Schedule 9

	1991	1990
Revenues and Other Additions:		
Universities Grants Commission		
Renovations and Equipment Fund	$ 529,108	$ 620,000
Universities Development Fund	1,000,000	700,000
Grant for Mortgage	40,054	40,054
	1,569,162	1,360,054
Expenditures and Other Deductions:		
Equipment and Renovations	1,529,108	1,320,000
Other Expenditure - Mortgage	40,054	40,054
	1,569,162	1,360,054
Net Change for Year, Statement II		

Special Provisions

Schedule 10

	Balance Beginning of Year	Additions	Deductions	Net Change for Year	Balance End of Year
University					
Renovations and Equipment Replacement	$ 44,218	$ 65,782	$	$ 65,782	$110,000
Utilities		50,000		50,000	50,000
Sickness Replacement		50,000		50,000	50,000
Special Projects - President		50,000		50,000	50,000
Self Insurance	30,559		838	(838)	29,721
Career Adjustment	57,308				57,308
Committed Expenditures	140,882	88,991	132,411	(43,420)	97,462
	272,967	304,773	133,249	171,524	444,491
Collegiate					
Collegiate Development	259,868	98,916		98,916	358,784
Collegiate PDA		3,064		3,064	3,064
	259,868	101,980		101,980	361,848
Ancillary					
Parking Reserve		9,799		9,799	9,799
Year Ending March 31, 1991	$532,835	$416,552	$133,249	$283,303	$816,138
Year Ending March 31, 1990	$489,131	$182,971	$139,267	$ 43,704	$532,835

Early Retirement Appropriation Schedule 11

	1991	1990
Total Payments and Obligations	$ 1,189,094	$ 366,583
Savings from Retirees Replacements	252,504	86,200
Net Change for Year, Statement II	(936,590)	(280,383)
Balance Beginning of Year	(479,293)	(198,910)
Balance End of Year, Statement I	$(1,415,883)	$ (479,293)

Trust and Endowment Fund

	Scholarships and Bursaries	Mennonite Chair	Other Restricted
Current Accounts			
Revenues and Other Additions:			
Gifts, grants & bequests	$ 519,292	$	$ 40,849
Investments	111,581	63,842	33,918
	630,873	63,842	74,767
Expenditures and Other Deductions:			
Library books			29,319
Awards	434,388		
Other	1,033		6,237
	435,421		35,556
Transfer to Capital Account	(341,525)	19,745	1,500
Transfer to Operating Fund	(1,783)	(79,260)	(17,590)
Intrafund Transfers	166,359		2,341
Net Change for Year	18,503	4,327	25,462
Balance Beginning of Year	335,278	(19,745)	147,378
Balance End of Year	353,781	(15,418)	172,840
Capital Accounts			
Net gains on sale of investments			
Capitalized Income			
Transfer from Current Account	341,525	(19,745)	(1,500)
Balance Beginning of Year	1,450,988	635,163	478,605
Balance End of Year	1,792,513	615,418	477,105
Trust Fund Balance	$2,146,294	$ 600,000	$ 649,945

Capital Campaign	Unrestricted		TOTAL	
	U of W Fund	General	1991	1990
$ 549,833	$ 15,739	$	$1,125,713	$1,509,361
36,118		426,605	672,064	597,047
585,951	15,739	426,605	1,797,777	2,106,408
			29,319	31,008
			434,388	388,015
563,230			570,500	51,584
563,230			1,034,207	470,607
349,085			28,805	(604,268)
(65,507)		(40,000)	(204,140)	(204,191)
(5,393)		(163,307)		
300,906	15,739	223,298	588,235	827,342
1,028,364	17,356	747,110	2,255,741	1,428,399
1,329,270	33,095	970,408	2,843,976	2,255,741
		(62,100)	(62,100)	3,103
		88,095	88,095	80,685
(349,085)			(28,805)	604,268
601,288		2,756,697	5,922,741	5,234,685
252,203		2,782,692	5,919,931	5,922,741
$1,581,473	$ 33,095	$3,753,100	$8,763,907 (Statement I)	$8,178,482 (Statement I)

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Pension Committee of the University of Winnipeg Pension Plan

To the Legislative Assembly of Manitoba

We have audited the statement of net assets available for pension benefits of the University of Winnipeg Pension Plan as at December 31, 1990 and the statement of changes in net assets available for pension benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 1990 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
April 2, 1991

Fred H. Jackson

F. H. Jackson, CA
Provincial Auditor

Statement I

UNIVERSITY OF WINNIPEG PENSION PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR PENSION BENEFITS

as at December 31, 1990
(with comparative figures for December 31, 1989)

	December 31, 1990	December 31, 1989
ASSETS		
Cash	$ 382,341	$ 297,925
Accrued interest and dividends receivable	580,942	506,283
Investments - at cost, Schedule I	40,200,302	36,876,058
	$41,163,585	$37,680,266
LIABILITIES		
Accounts payable	$ 247,953	$ 77,818
NET ASSETS AVAILABLE FOR PENSION BENEFITS	$40,915,632	$37,602,448

Approved by the Pension Committee

Statement II

UNIVERSITY OF WINNIPEG PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PENSION BENEFITS

for the year ended December 31, 1990
(with comparative figures for December 31, 1989)

	December 31, 1990	December 31, 1989
INCREASE IN ASSETS		
Contributions		
Members - (Note 5)	$ 1,091,603	$ 1,012,027
University	1,091,603	1,017,393
Transfers from other plans	45,569	
Investment income	3,009,606	2,741,808
Gain on sale of securities		409,302
	5,238,381	5,180,530
DECREASE IN ASSETS		
Benefits paid to retired members	816,863	606,591
Refunds and transfers to other plans (Note 5)	848,285	463,108
Loss on sale of securities	65,173	
Administrative expenses		
Investment Manager's fees	102,297	95,355
Actuarial fees	6,844	6,917
Administrator's fees	13,102	10,898
Custodial fees	29,814	29,321
Other expenses	42,819	40,722
	1,925,197	1,252,912
NET INCREASE FOR THE YEAR	3,313,184	3,927,618
NET ASSETS AVAILABLE FOR PENSION BENEFITS AT BEGINNING OF YEAR	37,602,448	33,674,830
NET ASSETS AVAILABLE FOR PENSION BENEFITS AT END OF YEAR	$40,915,632	$37,602,448

Schedule I

UNIVERSITY OF WINNIPEG PENSION PLAN

SUMMARY OF INVESTMENTS

as at December 31, 1990
(with comparative figures for December 31, 1989)

	December 31, 1990			December 31, 1989		
	Cost	Market	% of Market	Cost	Market	% of Market
Bonds	$16,872,159	$16,402,086	40.5	$17,829,196	$17,466,081	43.4
Stocks	18,123,947	18,920,849	46.7	15,110,214	18,803,570	46.8
Mortgages	14,315	14,315	0.0	15,938	15,938	0.0
Short-term	5,189,881	5,188,323	12.8	3,920,710	3,918,548	9.8
Total Investments, Statement I	$40,200,302	$40,525,573	100.0	$36,876,058	$40,204,137	100.0

UNIVERSITY OF WINNIPEG PENSION PLAN

Notes to the Financial Statements

as at December 31, 1990

1. The Pension Plan

The University of Winnipeg Pension Plan is a Trusteed Plan established November 1, 1977. Investors Group Trust Co. Ltd. as Trustee of the Plan, holds the assets of and administers the Pension Plan. The investment manager is Jarislowsky Fraser Co. Ltd. A Pension Committee supervises the administration of the Plan and monitors the performance of investments.

2. Accounting Policies

These financial statements have been prepared on an accrual basis of accounting. Investments are carried at cost with no amortization of premium or discount.

3. Actuarial Valuation

These financial statements do not take into account actuarial valuations, and therefore do not reflect the financial position of the Plan on an actuarial valuation basis. In accordance with the Pension Plan, an actuarial valuation and report is required at least every 3 years.

An actuarial valuation of the University of Winnipeg Pension Plan was completed during 1988 by Eckler Partners Ltd. as of December 31, 1987. This valuation showed a surplus of $3,281,000 before the implementation of certain improvements to the Plan benefits. The cost of these improvements, according to an actuarial review, has reduced the surplus to $442,000 as of December 31, 1987. Any unfunded liability that may arise from future valuations will be funded by the University for this is a defined-benefit plan. An actuarial valuation as at December 31, 1990 is in process.

4. Administrative Cost

The University of Winnipeg provides administrative services to the Plan. The charge for 1990 was $21,840 and under the present arrangement will be adjusted annually for inflation. This charge is included on Statement II in other expenses.

5. Transfer to Other Plans

The University of Winnipeg Pension Plan was amended during 1990 as follows:

- Effective from June 1, 1990, no further additional voluntary contributions shall be made to the fund. Members with prior voluntary contributions will be permitted to transfer such voluntary contributions to a registered retirement savings plan.
- Thirty-three members chose to transfer their voluntary contributions to a registered retirement savings plan in 1990. The value of these transfers was $545,000.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

To the Board of Directors of Venture Manitoba Tours Ltd.

We have audited the balance sheet of Venture Manitoba Tours Ltd. as at March 31, 1991 and the statements of operations and deficit and changes in cash resources for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 1991 and the results of its operations and changes in its cash resources for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
June 14, 1991

F. H. Jackson, CA
Provincial Auditor

VENTURE MANITOBA TOURS LTD.

Balance Sheet
as at March 31, 1991

	1991	1990
ASSETS		
Current assets:		
Cash on hand and in bank	$ 855	$ 119
Accounts receivable	215,002	153,897
Inventories	84,009	67,753
Prepaid expenses	19,496	41,200
	319,362	262,969
Fixed assets (Note 3)	2,572,420	2,636,031
	$ 2,891,782	$ 2,899,000
LIABILITIES		
Current liabilities:		
Bank indebtedness (Note 4)	$ 1,170,000	$ 1,132,000
Accounts payable and accrued liabilities	260,503	286,173
Advance deposits	47,674	64,768
Advances from the Government of the Province of Manitoba, repayable on demand	250,000	250,000
	1,728,177	1,732,941
SHAREHOLDER'S EQUITY		
Share capital:		
Authorized - unlimited number of shares for unlimited maximum aggregate consideration		
Issued and fully paid - 3,643,500 shares	3,643,500	3,643,500
Contributed surplus	257,910	257,910
Deficit	(2,737,805)	(2,735,351)
	1,163,605	1,166,059
	$ 2,891,782	$ 2,899,000

VENTURE MANITOBA TOURS LTD.

Statement of Operations and Deficit for the year ended March 31, 1991

	1991	1990
Sales and other income (Note 5)	$ 3,423,434	$ 3,114,655
Direct costs:		
Cost of sales	603,819	575,401
Departmental expenses (Note 6):		
Salaries, wages and benefits	1,110,088	944,839
Other	322,334	273,226
	2,036,241	1,793,466
Contribution on sales and other income	1,387,193	1,321,189
Operating expenses	1,046,554	1,075,949
Income before depreciation and interest expense	340,639	245,240
Depreciation	181,966	176,155
Interest expense	161,127	150,562
Loss for the year	(2,454)	(81,477)
Deficit, beginning of year	(2,735,351)	(2,653,874)
Deficit, end of year	$(2,737,805)	$(2,735,351)

VENTURE MANITOBA TOURS LTD.

Statement of Changes in Cash Resources
for the year ended March 31, 1991

	1991	1990
Cash provided by (used for):		
Operating activities:		
Loss for the year	$ (2,454)	$ (81,477)
Items not involving cash:		
Depreciation	195,359	176,155
Net change in noncash working capital balances related to operations	(98,422)	43,685
	94,483	138,363
Financing activities:		
Bank indebtedness	38,000	(108,000)
Advance from the Government of the Province of Manitoba	-	250,000
	38,000	142,000
Investment activities:		
Additions to fixed assets	(131,747)	(331,128)
Increase (decrease) in cash resources	736	(50,765)
Cash, beginning of year	119	50,884
Cash, end of year	$ 855	$ 119

VENTURE MANITOBA TOURS LTD.

Schedule of Operating Expenses for the year ended March 31, 1991

	1991	1990
Administration:		
Bad debt expense	$ 3,000	$ 6,000
Credit card expense	27,386	20,212
Directors' expenses	38,352	39,406
Equipment rental	30,515	14,901
Insurance	2,639	4,603
Legal and audit	27,263	28,813
Managers' expenses	8,865	11,043
Membership fees	3,395	3,701
Miscellaneous	2,844	12,371
Personnel recruitment	-	1,738
Postage	3,857	4,081
Printing and stationery	5,391	18,420
Service charges	2,293	2,089
Telephone	71,251	72,694
Transportation	11,576	9,966
Wages and benefits	162,086	205,497
	400,713	455,535
Energy and maintenance:		
Air conditioning and refridgeration	4,385	5,388
Equipment and parts	18,107	7,005
Furniture	4,091	1,844
Maintenance services	(21,856)	6,546
Miscellaneous	6,818	6,556
Propane and hydro	195,269	183,345
Repairs	49,932	34,906
Vehicle expenses	11,748	12,676
Wages and benefits	60,520	80,633
	329,014	338,899
Recreation department:		
Equipment and supplies	11,281	4,147
Wages and benefits	21,194	30,008
	32,475	34,155

VENTURE MANITOBA TOURS LTD.

Schedule of Operating Expenses for the year ended March 31, 1991

	1991	1990
Sales promotion:		
Advertising and promotion	88,215	46,161
Miscellaneous	644	1,311
Office accommodation	7,243	5,755
Printing and stationery	51,480	20,815
Travel	2,115	6,910
Wages and benefits	36,226	60,064
	185,923	141,016
Staff costs:		
Employee meals	29,174	30,279
Employee transportation	41,233	45,748
Repairs - staff quarters	4,287	8,230
Staff training	936	-
Utilities - staff quarters	22,800	22,083
	98,430	106,340
Total general and administrative expenses	$ 1,046,555	$ 1,075,945

VENTURE MANITOBA TOURS LTD.

Notes to the Financial Statements
March 31, 1991

1. Status of the Company and Nature of its Operations

The Company is incorporated under The Manitoba Corporations Act. The issued shares are owned by the Minister of Finance of the Government of the Province of Manitoba.

The Government of the Province of Manitoba owns the Gull Harbour Resort and Conference Centre and Hecla Golf Course. The Company operates these facilities under lease agreements with the Province. These facilities are situated in the Hecla Provincial Park and are not subject to realty taxes.

2. Significant Accounting Policies

(a) Basis of Accounting

The Company follows the accrual basis of accounting.

(b) Inventories

Inventories are valued, at the lower of cost, determined on the first-in-first-out method, and net realizable value.

(c) Fixed assets

The fixed assets, which do not include the Gull Harbour Resort and Conference Centre and Hecla Golf Course owned by the Province of Manitoba, are recorded at cost less applied grant funds. Depreciation is calculated at rates shown below, which will depreciate the cost over the estimated useful life of the assets.

Straight line

Building addition	40 years
Leasehold improvements	5 to 40 years
Furniture and fixtures	10 years
Staff quarters	10 to 25 years
Parking lot	25 years
Equipment under capital lease	10 years

Declining balance

Computer equipment	30%
Vehicles	30%

VENTURE MANITOBA TOURS LTD.

Notes to the Financial Statements
March 31, 1991

(d) Equipment under Capital Lease

Fixed assets acquired through long-term leases are capitalized at fair market value less applied grant funds received. The amounts included in fixed assets in respect of leased assets are at the fair market value of $31,201 less government grants of $15,601.

(e) Services Provided by the Government of the Province of Manitoba

The Government of the Province of Manitoba provides certain management and administrative services without charge to the Company. The costs of these services is estimated to be approximately $10,000 ($10,000 in 1990). Interest charged on the advances from the Government of the Province of Manitoba is paid from an appropriation of the Department of Natural Resources in the amount of $34,002 ($16,772 in 1990). These costs are not reflected in these financial statements.

3. Fixed Assets

The fixed assets shown on the balance sheet as at March 31, 1991 are:

	1991			1990
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Building addition	$ 1,697,973	$ 276,546	$ 1,421,427	$ 1,447,309
Leasehold improvements	842,936	249,919	593,017	629,426
Furniture and fixtures	661,077	404,216	256,861	267,103
Staff quarters	323,525	103,512	220,013	231,486
Computer equipment	74,543	51,014	23,529	25,544
Parking lot	28,968	6,373	22,595	23,754
Vehicles	66,788	35,710	31,078	5,949
Equipment under Capital lease (Note 2(d))	15,600	11,700	3,900	5,460
	$ 3,711,410	$ 1,138,990	$ 2,572,420	$ 2,636,031

VENTURE MANITOBA TOURS LTD.

Notes to the Financial Statements
March 31, 1991

4. Bank Indebtedness

The Government of the Province of Manitoba has guaranteed a line of credit for the Company to a maximum of $1,750,000.

5. Sales and Other Income

Sales include food, beverage and gift shop sales. Other income includes room rentals, golf fees and other sundry income.

6. Departmental Expenses

Departmental expenses include the direct costs related to room rentals, the golf course and food, beverage, and gift shop sales other than the direct production costs shown in cost of sales.

7. Contingent Liability

The Company is contingently liable for $148,656 plus interest in regards to a statement of claim filed by a contractor involving the building addition. Management considers this claim to be without merit and no provision has been made in the financial statements.

8. Operating Leases

The Company operates the Gull Harbour Resort and Conference Centre and the Hecla Golf Course under lease agreements with the Government of the Province of Manitoba. These leases are for a five year term expiring April 30, 1994. The Company pays an annual rental of $6,545 for the Gull Harbour Resort and Conference Centre and $20,000 for the Hecla Golf Course.

9. Economic Dependence

The Company is economically dependent on the Government of the Province of Manitoba.

VENTURE MANITOBA TOURS LTD.

Notes to the Financial Statements
March 31, 1991

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10. Imputed Interest Cost Information

The following information is presented in accordance with a request by the Minister of Finance of the Government of the Province of Manitoba.

The annual carrying cost to the Government, for its average investment of $1,370,718 in share capital of the Company during the year as shown in the Public Accounts, calculated at the weighted average interest rate of 10.31% paid by the Government in respect of its debt for the fiscal year ended March 31, 1991 is $141,321.

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
R3C 3R6

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of Westarc Group Inc. as at March 31, 1991 and the statement of income and retained earnings for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
May 22, 1991

F. H. Jackson, CA
Provincial Auditor

WESTARC GROUP INC.

Balance Sheet
As at 31 March 1991

	1991	1990
ASSETS		
Current		
Due from Brandon University	$ 177,302	$ 128,737
Due from Brandon University Holding Company Limited	1	1
Accounts Receivable	85,694	102,869
Work in Progress	2,500	1,728
	265,497	233,335
Fixed Assets, note 3	36,114	29,074
	$ 301,611	$ 262,409
LIABILITIES & SHAREHOLDER'S EQUITY		
Current		
Accounts Payable	$ 508	$ 3,185
Deferred Revenues	5,750	25,015
	6,258	28,200
Share Capital, note 4	1	1
Retained Earnings	295,352	234,208
	295,353	234,209
	$ 301,611	$ 262,409

WESTARC GROUP INC.

Statement of Income and Retained Earnings
For the Year Ended 31 March 1991

	1991	1990
REVENUES	$ 664,411	$ 538,361
Project Costs	474,958	349,740
GROSS MARGIN	189,453	188,621
OPERATING EXPENSES		
Salaries and Benefits	61,428	71,588
Travel	9,251	6,873
Postage and Supplies	3,428	3,205
Advertising	2,172	346
Telephone	8,082	6,563
Legal and Audit	2,337	2,344
Consulting	5,302	3,373
Repairs and Maintenance	1,400	2,216
Miscellaneous	3,055	1,197
Depreciation and Amortization	11,854	9,861
	108,309	107,566
NET INCOME FOR THE YEAR	81,144	81,055
Retained Earnings, Beginning of Year	234,208	158,153
AVAILABLE FOR DISTRIBUTION	315,352	239,208
Less Dividends Paid	20,000	5,000
RETAINED EARNINGS, End of Year	$ 295,352	$ 234,208

WESTARC GROUP INC.

Notes to Financial Statements
For the Year Ended 31 March 1991

1. STATUS AND NATURE OF THE CORPORATION

WESTARC Group Inc. was incorporated as a wholly-owned subsidiary of Brandon University Holding Company Limited in 1985.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the company:

(a) The financial statements have been prepared on the accrual basis.

(b) Depreciation and amortization is provided in the accounts as follows:

Equipment - 5 years straight line basis
Designs - 20 years straight line basis

(c) Revenues are recognized using the percentage of completion method.

3. FIXED ASSETS

	1991		1990	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Designs	$ 2,968	$ 740	$ 2,968	$ 592
Equipment	67,469	33,583	48,574	21,876
	$70,437	$ 34,323	$51,542	$ 22,468
Cost less accumulated depreciation	$ 36,114		$ 29,074	

WESTARC GROUP INC.

Notes to Financial Statements
For the Year Ended 31 March 1991

4. SHARE CAPITAL

Authorized

Unlimited Number of One Class Common Shares

		1991	1990
Issued			
	One Common Share	$1	$1

5. GENERAL COMMENTS

Brandon University provides the Company with various administrative services at no cost.

WINTEMUTE
RANDLE
KILIMNIK
CHARTERED ACCOUNTANTS

Auditors' Report

To the Members of The Board
The Whitemud Watershed Conservation District

We have audited the balance sheet of The Whitemud Watershed Conservation District as at March 31, 1991 and the statements of revenue, expenditure and surplus for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Wintemute Randle Kilimnik

Chartered Accountants

Winnipeg, Manitoba
June 6, 1991

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Balance Sheet
As At March 31, 1991

Assets

	1991	1990
Current		
Cash	$202,829	$234,518
Accounts receivable	40,886	25,300
Inventory, note 1	54,365	47,167
Prepaid expenses	1,321	1,270
	299,401	308,255
Fixed, notes 1 and 2	91,354	101,692
	$390,755	$409,947

Liabilities

	1991	1990
Current		
Accounts payable and accrued expenses	$ 5,293	$ 30,023
Customer deposits	847	885
Unearned Municipal Levies	473	7,457
	6,613	38,365

Surplus

	1991	1990
Watershed programs		
Sub-district program - statement 2	89,484	65,803
General board program - statement 3	(6,889)	27,224
Equipment program - statement 4	188,887	184,124
Inventory program - statement 5	44,640	30,318
Rosedale Farm program - statement 6	17,697	15,775
	333,819	323,244
Emergency reserve	30,000	30,000
Sick leave reserve, note 3	20,323	18,338
	384,142	371,582
	$390,755	$409,947

Statement 2

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
Sub-District Program
For The Year Ended March 31, 1991

	Willowbend Creek #35	Westbourne Drain #36	Squirrel Creek #37	Pine Creek #38	Central Whitemud #39	Upper Whitemud #40	Big Grass Marsh #42	Big Grass River #43	1991	1990
Revenue										
Municipal levies	$ 24,211	$ 24,550	$ 15,745	$ 18,869	$ 27,400	$ 7,809	$ 22,351	$ 44,555	$185,490	$185,490
Province of Manitoba	73,121	58,346	40,385	52,934	63,390	20,669	38,724	236,060	583,629	631,417
Grants	-	1,388	-	-	-	-	-	-	1,388	9,450
	97,332	84,284	56,130	71,803	90,790	28,478	61,075	280,615	770,507	826,357
Expenditure										
Channel maintenance										
Grassed waterways	-	-	-	-	12,273	3,714	-	-	15,987	29,368
Silt removal	27,356	19,429	8,553	14,946	8,413	4,753	19,758	34,900	138,108	95,565
Vegetation control	6,810	29,567	-	9,367	18,870	-	22,297	24,111	111,022	134,701
Miscellaneous	-	-	-	-	4,725	-	-	5,750	10,475	27,504
Crossings										
Repairs	3,774	3,636	7,161	720	4,819	1,268	2,965	12,715	37,058	56,241
Replacement	1,748	-	-	-	26,523	-	5,389	22,683	56,343	27,144
Water storage	7,370	10,139	4,799	26,983	8,897	17,624	1,224	9,140	86,176	101,756
Capital works	50,437	15,523	35,928	18,562	-	-	-	171,207	291,657	316,834
	97,495	78,294	56,441	70,578	84,520	27,359	51,633	280,506	746,826	789,113
Excess (deficiency) of revenue over expenditures	(163)	5,990	(311)	1,225	6,270	1,119	9,442	109	23,681	37,244
Surplus (deficit), beginning of year	(2,896)	7,656	423	6,761	19,628	17,284	13,431	3,516	65,803	28,559
Surplus (deficit), end of year	$ (3,059)	$ 13,646	$ 112	$ 7,986	$ 25,898	$ 18,403	$ 22,873	$ 3,625	$ 89,484	$ 65,803

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
General Board Program
For The Year Ended March 31, 1991

	1991	1990
Revenue		
Province of Manitoba	$242,406	$205,711
Direct charges	-	175
Interest earned	33,317	25,169
Individual contributions	25,687	28,462
Special project funding and grants	2,000	25,000
Agri-Food Canada share of equipment	-	45,146
Federal grant	3,102	3,308
	306,512	332,971
Expenditures		
Administrative		
Watershed manager salary and expenses	45,760	41,287
Secretary-Treasurer and secretary salaries	24,936	21,275
Professional development	465	1,340
Board members remuneration and expenses	18,523	18,061
Professional fees	1,925	1,825
Rent	2,475	2,400
Office supplies	12,655	12,681
Insurance	1,145	983
Depreciation	288	484
Public relations	412	249
Miscellaneous	823	815
Small tool purchases	614	677
Summer student	4,366	4,656
	114,387	106,733
Specific Programs		
Gully stabilization	-	275
Conservation corridors	6,794	5,093
Demonstrations	1,754	-
Big Grass Marsh management plan	4,071	37,668
Forage crops	80,661	60,676
On-site program	-	1,373
Shelter belts	34,666	29,530
Shelter belt weed control	19,548	13,479
Wild lands	36,641	12,301
Resource extension and public education	25,255	27,203
Water management strategy	-	5,000
	209,390	192,598
Direct expenses	-	175
	323,777	299,506

Statement 3

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
General Board Program
For The Year Ended March 31, 1991

Excess (deficiency) of revenue over expenditures	(17,265)	33,465
Surplus, beginning of year	27,224	136,816
	9,959	170,281
Transfer value of equipment to equipment program	-	(143,057)
Transfer value of inventory to inventory program	(16,848)	-
Surplus, end of year	$ (6,889)	$ 27,224

Statement 4

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
Equipment Program
For The Year Ended March 31, 1991

	1991	1990
Revenue		
Rentals	$ 57,367	$ 60,191
Gain on disposal of equipment	-	1,336
Agri-Food share of equipment	-	5,614
	57,367	67,141
Expenditures		
Fuel and oil	7,086	8,923
Repairs and maintenance	14,587	14,145
Insurance and licences	2,136	1,518
Depreciation	23,956	21,570
Wages	4,839	6,277
Transfer to General Board program	-	45,146
	52,604	97,579
Excess (deficiency) of revenue over expenditures	4,763	(30,438)
Surplus, beginning of year	184,124	71,505
	188,887	41,067
Transfer value of equipment from General Board Program	-	143,057
Surplus, end of year	$188,887	$184,124

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Earnings And Surplus
Inventory Program
For The Year Ended March 31, 1991

	1991	1990
Sales	$ 13,896	$ 25,693
Cost of sales		
Inventory - beginning of year	47,167	44,324
Purchases	19,941	26,182
	67,108	70,506
Inventory - end of year	54,365	47,167
	12,743	23,339
Gross profit	1,153	2,354
Expenditures		
Wages	1,257	2,347
Insurance	198	217
Yard maintenance	1,906	2,066
Depreciation	318	318
	3,679	4,948
Net loss	2,526	2,594
Surplus, beginning of year	30,318	32,912
	27,792	30,318
Transfer value of inventory from General Board Program	16,848	-
Surplus, end of year	$ 44,640	$ 30,318

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
Rosedale Farm Program
For The Year Ended March 31, 1991

	1991	1990
Revenue		
Forage sales	$ 9,240	$ 5,460
Crop share	1,507	1,406
	10,747	6,866
Expenditures		
Fertilizer and renovating	4,567	1,909
Miscellaneous	694	401
Harvesting	3,564	1,855
	8,825	4,165
Excess of revenue over expenditures	1,922	2,701
Surplus, beginning of year	15,775	13,074
Surplus, end of year	$ 17,697	$ 15,775

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Statement Of Revenue, Expenditures And Surplus
Farming For Tomorrow Program
For The Year Ended March 31, 1991

Revenue	
C.A.C.A. - G. Rodgers Project	$ 4,250
C.A.C.A. - Shelterbelt maintenance	2,400
Benchland Association - Shelterbelt maintenance	3,640
	10,290
Expenditures	
G. Rodgers Project - C.A.C.A. share (total project cost is $5,615.76 - $1,365.76 paid by S.D. #36)	4,250
C.A.C.A. Shelterbelt maintenance costs (30 miles @ $44.1884/mile)	1,326
Benchland Association - Shelterbelt maintenance costs (45.5 miles @ $44.1884/mile)	2,011
	7,587
Excess of revenue over expenditures	2,703
Excess of revenue over expenditures transferred to Shelterbelt Assistance Program	(2,703)
Surplus, end of year	$ -

THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Notes To Financial Statements
March 31, 1991

1. Significant accounting policies

a) Entity definition

The Whitemud Watershed Conservation District was established by an Order-in-Council of the Province of Manitoba on March 22, 1972. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the conservation district.

b) Inventory

Inventory is valued at cost and determined on a first-in first-out basis.

c) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is recorded on the straight line method at the following rates:

Building	5%
Fence	5%
Equipment	15%
Pump equipment	50%

2. Fixed assets

The following is a summary of the fixed asset and accumulated depreciation accounts:

	1990	Additions	Disposals	1991
Fixed assets				
Land	$ 1,835	$ -	$ -	$ 1,835
Building	14,783	-	-	14,783
Fence	5,339	-	-	5,339
Equipment	184,052	14,384	865	197,571
Pump equipment	261	-	-	261
	206,270	14,384	865	219,789
Accumulated depreciation				
Building	9,057	739	-	9,796
Fence	3,670	267	-	3,937
Equipment	91,590	23,716	865	114,441
Pump equipment	261	-	-	261
	104,578	24,722	865	128,435
Net book value	$101,692			$ 91,354

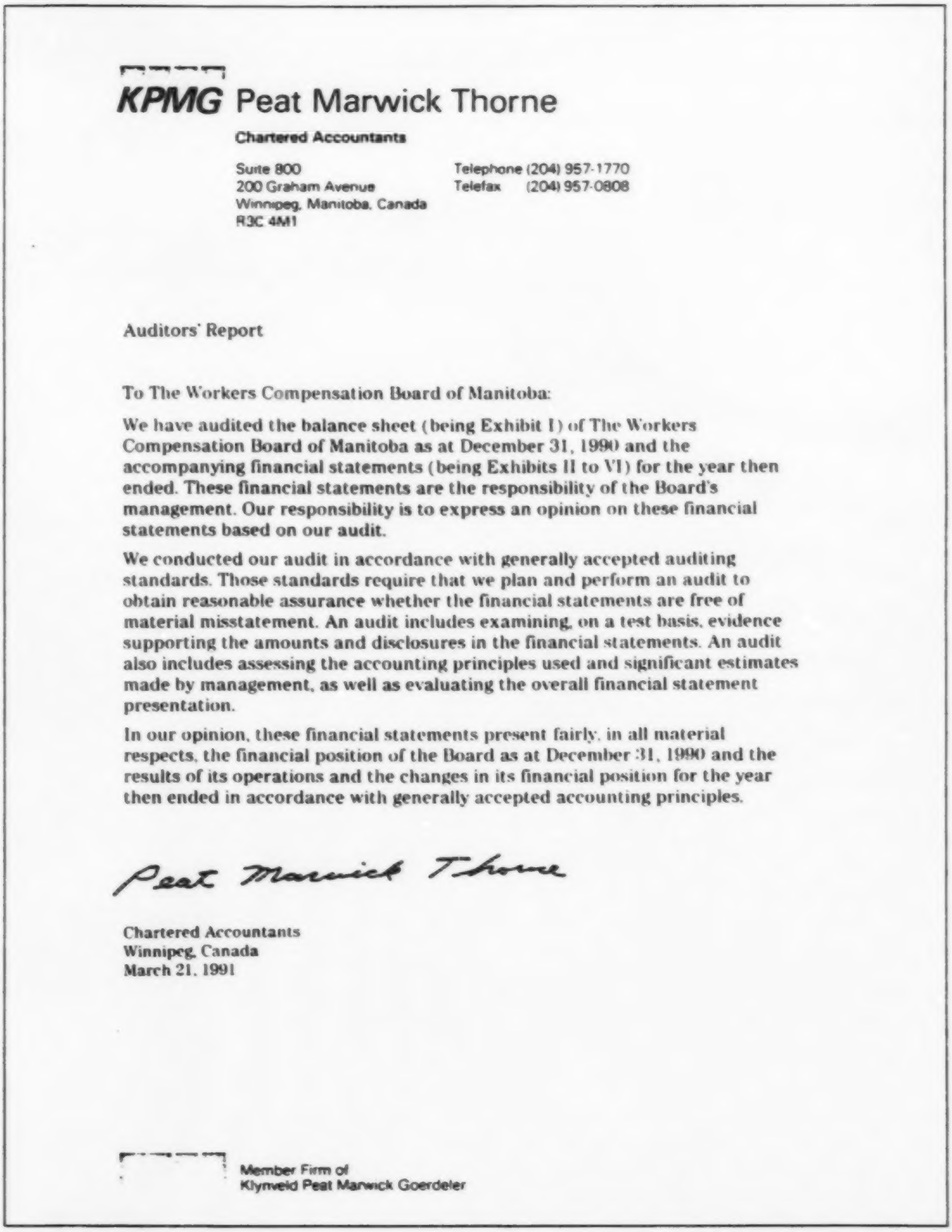
THE WHITEMUD WATERSHED CONSERVATION DISTRICT

Notes To Financial Statements
March 31, 1991

3. Sick leave reserve

The reserve has been established to recognize the accrual of sick leave of the employees. The employees accrue sick leave at the rate of one and one-quarter days per month employed. At March 31, 1991, the aggregate amount of possible claims was $84,271.

AUDITORS' REPORT



KPMG Peat Marwick Thorne

Chartered Accountants

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Auditors' Report

To The Workers Compensation Board of Manitoba:

We have audited the balance sheet (being Exhibit I) of The Workers Compensation Board of Manitoba as at December 31, 1990 and the accompanying financial statements (being Exhibits II to VI) for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peat Marwick Thorne

Chartered Accountants
Winnipeg, Canada
March 21, 1991

Member Firm of
Klynveld Peat Marwick Goerdeler

FINANCIAL STATEMENTS

EXHIBIT I/BALANCE SHEET

Assets:	1990	1989
Receivables *(Note 3)*	$ 2,851	$ 2,197
Investments *(Note 4)*	223,694	213,676
Short-term deposits *(Note 5)*	104,626	77,974
Fixed assets *(Note 6)*	4,320	1,894
Total	$ 335,491	$ 295,741

Liabilities and Reserves:		
Accounts payable and accrued liabilities	$ 3,275	$ 3,150
Deferred revenue	251	331
	3,526	3,481
Provisions for future payments:		
Pension obligations	320,403	292,567
Future cost of existing claims	223,319	213,954
	543,722	506,521
Total liabilities	547,248	510,002
Disaster Reserve	12,463	11,130
Accumulated unfunded liabilities *(Exhibit IV)*	(224,220)	(225,391)
Total	$ 335,491	$ 295,741

◀

December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board:

Chairperson

Director

EXHIBIT II / STATEMENT OF OPERATIONS - CLASS E GENERAL EMPLOYERS POOL

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

	1990	1989
Assessment revenue	$ 125,903	$ 119,130
Investment income	35,379	29,332
Total revenue	$ 161,282	$ 148,462
Compensation expenditures:		
Compensation paid	45,778	43,471
Capitalized pensions	16,114	9,165
Program administration	4,933	4,261
	66,825	56,897
Rehabilitation expenditures:		
Compensation paid	11,125	8,253
External services	693	447
Program administration	1,639	1,583
	13,457	10,283
Medical Aid expenditures:		
External professionals	11,769	11,247
Supplies	2,348	2,111
Program administration	671	672
	14,788	14,030
Total program expenditures	95,070	81,210
Future cost provision	46,233	45,510
Administration expenditures	13,094	11,289
Total expenditures	154,397	138,009
Excess of revenue over expenditures	$ 6,885	$ 10,453

EXHIBIT III/STATEMENT OF OPERATIONS - OTHER CLASSES

	1990	1989
Assessment revenue	$ 13,651	$ 11,155
Compensation expenditures:		
Compensation paid	3,169	3,298
Capitalized pensions	3,009	1,984
Program administration	657	568
	6,835	5,850
Rehabilitation expenditures:		
Compensation paid	878	676
External services	31	22
Program administration	218	210
	1,127	908
Medical Aid expenditures:		
External professionals	1,816	1,416
Supplies	492	419
Program administration	89	90
	2,397	1,925
Total program expenditures	10,359	8,683
Future cost provision *(Note 8)*	5,929	3,669
Administration expenditures	1,744	1,505
Total expenditures	18,032	13,857
Excess of expenditures over revenue	$ (4,381)	$ (2,702)

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

EXHIBIT IV/STATEMENT OF ACCUMULATED UNFUNDED LIABILITIES

	Class E	Other Classes	1990	1989
Accumulated unfunded liabilities, beginning of year	$(188,932)	$(36,459)	$(225,391)	$(232,012)
Excess (deficiency) of revenues over expenditures	6,885	(4,381)	2,504	7,751
Transfer to Disaster Reserve	(1,333)		(1,333)	(1,130)
Accumulated unfunded liabilities, end of year	$(183,380)	$(40,840)	$(224,220)	$(225,391)

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

EXHIBIT V/ADMINISTRATION EXPENSES

For the year ended
December 31, 1990 with
comparative figures for
1989 (000's)

The accompanying notes
are an integral part of these
financial statements.

	1990	1989
Administration expenses:		
Staff and service costs	$ 13,402	$ 11,933
Data Processing	1,735	1,690
Supplies and services	666	664
Communications	1,255	850
Building operations	965	962
Depreciation	543	247
Professional Fees	1,350	834
Grants	35	41
	19,951	17,221
Other charges *(Note 7)*:		
Charges under The Workplace Safety and Health Act	3,630	3,388
Expenses of Worker Advisors under Section 108(3) of The Workers Compensation Act	493	448
Implementation Team for Workers Compensation Reform	47	129
	4,170	3,965
Total administration expenses before recoveries	24,121	21,186
Recoveries:		
The Government of Canada for administering its employees' compensation program	908	842
The Government of The Province of Manitoba for administering The Criminal Injuries Compensation Act	168	166
Total recoveries	1,076	1,008
Total administration expenses allocated to Classes ***(Note 9)***	**$ 23,045**	**$ 20,178**

EXHIBIT VI/STATEMENT OF CHANGES IN FINANCIAL POSITION

	1990	1989
Operating activities:		
Excess of revenues over expenditures	$ 2,504	$ 7,751
Add (deduct): items not requiring an outlay of cash:		
Pension awards	19,255	11,148
Provision for future costs	52,162	49,179
Depreciation	504	265
Amortization of discount	(337)	(259)
Loss on disposal of investments	42	0
Payments from the provisions for future payments:		
Pension obligations	(27,983)	(25,639)
Future cost of existing claims	(6,233)	(5,275)
Net change in non-cash balances relating to operations:		
Receivables	(654)	(209)
Accounts payable and accrued liabilities	125	985
Deferred revenue	(80)	(974)
Cash provided by operations	39,305	36,972
Investment activities:		
Proceeds on maturity of investments	11,701	11,242
Purchase of investments	(21,203)	(40,130)
Change in accrued interest on investments	(221)	(1,294)
Cash applied to investment activities	(9,723)	(30,182)
Financing activities:		
Receivable - The Province of Manitoba	0	16,386
Cash provided by financing activities	0	16,386
Additions to fixed assets	(2,930)	(1,140)
Increase in short-term deposits during the year	26,652	22,036
Short term deposits, beginning of year	77,974	55,938
Short-term deposits, end of year	$ 104,626	$ 77,974

◄

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

▶ December 31, 1990

Note 1. Authority and Operations

The Workers Compensation Board operates under the authority of The Workers Compensation Act, Statutes of Manitoba, Chapter W-200, as amended.

The operations of the WCB are categorized in accordance with the Act, into the following employer classes: **Class A** - Canadian Pacific Railway Company and its subsidiaries; **Class B** - Canadian National Railway Company and its associated companies; **Class C** - The Crown in right of Manitoba and agencies of the Government; **Class D** - The City of Winnipeg; **Class E** - The general body of employers in Manitoba.

Note 2. Significant Accounting Policies

The financial statements have been prepared in accordance with the following accounting policies which are considered appropriate for this organization:

(a) Investments

i) ***Bonds, Debentures and Mortgages***

Bonds, debentures and mortgages are recorded at cost at the time of acquisition. Discounts or premiums are amortized on a straight-line basis over the remaining term to maturity of the investment. The estimated market value of these investments has not been disclosed as the general policy of the WCB is to hold these investments until their maturity.

ii) ***Real Estate***

Real estate investments are recorded at the lower of cost or net realizable value.

iii) ***Investment Income***

Investment income is allocated to the Class E and other Classes funds, and to the individual provisions for future payments, based on the actual monthly balances of each fund.

(b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The buildings are being depreciated over thirty years, pursuant to Section 94(15) of The Workers Compensation Act. All other assets are being depreciated on a straight-line basis over their estimated useful lives, as follows:

Building renovations	10 years
Furniture, fixtures and equipment	5 years
Leasehold improvements	5 years

(c) Legislated Pension Amendments

The cost of anticipated future increases in pension benefits due to legislated amendments to The Workers Compensation Act is provided for, on an estimated basis, by applying a discount rate of 3% to pension awards during the year. The cost attributed to the Class E employers for these increased benefits is recovered from the annual assessment revenue of that class. The cost attributed to the Other Classes employers for these increased benefits is recovered, together with interest, within a seven year period from the effective date of the legislated amendment.

(d) Provisions for Future Payments

i) ***Pension Obligations***

Capitalized values of pensions awarded are credited to the pension obligations provision which is then charged with pensions paid. The capitalized values are calculated using a 3% discount rate which provides for the estimated cost of anticipated future increases in pension benefits due to legislated amendments to The Workers Compensation Act.

The WCB made an estimate of its liability in respect of pensions awarded prior to December 31, 1990 which confirmed the adequacy of the year-end pension obligations provision. This estimate was made using a 3% discount rate and the methodology used in the December 31, 1985 independent actuarial review. A formal evaluation report will be completed in 1991.

ii) ***Future Cost of Existing Claims***

This provision is the estimated amount required to meet the future cost of compensation, rehabilitation, medical aid, pension awards and administration of claims incurred prior to December 31, 1990 for all employer classes. Included in this is provision for future cost of second injuries, which is designed for workers in Class E suffering further disabilities due to pre-existing conditions or disabilities arising from the work place. An independent actuarial review completed March 1, 1991 confirmed the adequacy of the December 31, 1990 provision.

(e) Disaster Reserve

The Disaster Reserve is a reserve to recognize costs that could arise from a disaster or extraordinary circumstance which the WCB considers could unfairly burden certain employers of Class E. The Disaster Reserve was initially established by the WCB in 1988 as a transfer from the Class E accumulated unfunded liability. Amounts transferred to this reserve were $1,332,992 in 1990 and $1,130,384 in 1989.

(f) Assessment Revenue

i) ***Class E Employers***

Assessment revenue is determined on the basis of estimated payrolls for the current year as reported by employers and the applicable industry assessment rate. Assessment revenue includes revisions to 1989 assessments based on actual payrolls for 1989 as reported by employers.

ii) ***Other Classes Employers***

Assessment revenue represents the cash reimbursement to the WCB for actual disbursements made on behalf of the Other Classes and for capitalized pensions which are charged to these classes.

(g) Employee Pension Plan

The Employee Pension Plan was last valued at January 1, 1989. An actuarial certificate issued that date showed the plan to have an unfunded actuarial liability of $231,713, which amount is being funded by annual payments of $23,938.

An agreement between the Province of Manitoba and The Workers Compensation Board of Manitoba allowed certain employees to remain in the Civil Service Superannuation Fund instead of the Employee Pension Plan and the WCB has provided for this estimated liability in its accounts.

(h) Administration Expenses and Other Charges

These expenses, net of recoveries, are allocated proportionately to the Class E and Other Classes funds based upon the current year's benefits payments of each class.

The WCB administers The Criminal Injuries Compensation Act for the Government of the Province of Manitoba and the employee compensation program of the Government of Canada. The operations of these administered programs are reflected only to the extent of the recoveries.

Note 3. Receivables

Receivables consist of the following:		1990		1989
Assessments billed and outstanding	$	3,225	$	3,307
Less: Allowance for doubtful accounts		1,464		1,981
Assessments receivable		1,761		1,326
Sundry accounts receivable		497		550
Recoverable from the Government of Canada		593		321
	$	2,851	$	2,197

◀ Amounts are shown in thousands (000's) of dollars

Note 4. Investments

		1990		1989
Bonds and debentures issued or guaranteed by the following:				
Province of Manitoba	$	74,692	$	72,646
Government of Canada		11,743		13,225
Corporations		43,005		43,778
Hospitals		6,094		6,536
Municipal Corporations		4,890		6,349
Province of Ontario		6,434		4,912
Province of Prince Edward Island		498		498
Province of Quebec		1,120		1,118
Province of Saskatchewan		1,163		1,152
Province of Newfoundland		50		50
Province of Alberta		3,872		3,856
Province of New Brunswick		1,983		1,981
		155,544		156,101
Mortgages, National Housing Act (Canada)		50,621		40,633
Real Estate		12,028		11,662
Accrued Interest		5,501		5,280
	$	223,694	$	213,676

◀ Amounts are shown in thousands (000's) of dollars

The average remaining term to maturity of the mortgages was 85 months as at December 31, 1990 (1989 - 70 months); the average interest rate earned in 1990 was 11.45% (1989 - 10.33%). The average remaining term of the bonds and debentures was 6 years as at December 31, 1990 (1989 - 6 years); the average interest rate earned in 1990 was 10.30% (1989 - 10.36%). For the first full year of the real estate portfolio, it produced a return of 9.06% in 1990 and had an appraised value of $14.8 million as at December 31, 1990.

Note 5. Short-Term Deposits

▶ Amounts are shown in thousands (000's) of dollars

Short-term deposits consist of the following:	1990	1989
Short-term deposits with the Province of Manitoba	$ 105,594	$ 82,522
Bank Overdraft	(968)	(4,548)
	$ 104,626	$ 77,974

Short-term deposits with The Province of Manitoba earned an average interest rate in 1990 of 12.82% (1989 - 11.87%).

Note 6. Fixed Assets

▶ Amounts are shown in thousands (000's) of dollars

Fixed assets consist of the following:	Cost	Accumulated Depreciation	1990 Net Book Value	1989 Net Book Value
Automobiles	$ —	$ —	$ —	$ 40
Buildings	2,638	1,086	1,552	877
Furniture, Fixtures and Equipment	1,540	425	1,115	469
Leasehold Improvements	643	88	555	56
Renovations	1,200	102	1,098	452
	$ 6,021	$ 1,701	$ 4,320	$ 1,894

Note 7. Other Charges

Pursuant to The Workplace Safety and Health Act, the Province may pay the expenses incurred in the administration of that Act out of the Consolidated Fund and may, subsequently, recover such portion as it may determine from the class funds under The Workers Compensation Act. For 1990, the amount charged to operations under this provision was $3,629,967 (1989 - $3,387,947).

Also, under Section 108(3) of The Workers Compensation Act, the Province may pay the costs incurred in respect to Worker Advisors and may recover them from the class funds. For 1990, the amount charged to operations under this provision was $492,989 (1989 - $448,144).

Note 8. Capitalized Reserves

The WCB's assessment practices neither were nor are in compliance with The Workers Compensation Act which requires a level of assessments sufficient to provide capitalized reserves for all program liabilities in the absence of a guarantee from the Federal or Provincial Government.

Class E employers are assessed on the basis of their estimated payrolls for the current year and the applicable industry assessment rate. Assessment rate increases have not been sufficient to collect the required capitalized reserves, though the required program liabilities are fully provided for in these financial statements.

In respect of the Other Classes employers, the WCB's past and current administrative practice is to levy assessments only to the extent of:

i) Actual disbursements made on behalf of the Other Classes and,

ii) Capitalized pension awards charged to these classes calculated using a discount rate which does not provide for future increases in pension benefits.

As a result of this practice, assessments charged to the Other Classes do not provide for any funds to capitalize reserves to pay for the estimated future cost of existing claims or the estimated future cost of increases in pension benefits due to legislated amendments. These required program liabilities are fully provided for in these financial statements.

The WCB plans to continue to address this issue of non-compliance with the Act with the Government of Manitoba and the insured employers in 1991.

Note 9. Administration Expenditures

Certain administration expenses that directly relate to the three program components of the WCB's operations; Compensation, Rehabilitation and Medical Aid, are presented as part of the cost of the program component. The expenses included here are direct staff and benefit costs, professional development, travel, supplies, direct equipment and professional services and have been allocated to the Classes as follows:

	Class E	Other Classes	Total 1990	Total 1989
Program Administration:				
Compensation	$ 4,933	$ 657	$ **5,590**	$ 4,829
Rehabilitation	1,639	218	**1,857**	1,793
Medical Aid	671	89	**760**	762
Other Administration Expenditures	13,094	1,744	**14,838**	12,794
Total Allocated Administration Expense	$ 20,337	$ 2,708	$ **23,045**	$ 20,178

◀ Amounts are shown in thousands (000's) of dollars

Note 10. Related Party Transactions

In addition to related party transactions which have been individually disclosed, these financial statements also include amounts arising from routine operating transactions with various Government of Manitoba controlled departments, agencies and corporations with which the Board is related. Account balances arising from these transactions are included in these financial statements.

Note 11. Lease Commitments

As at December 31, 1990, the WCB has an aggregate future lease commitment of $1,356,450 in respect of leased facilities, as follows:

1991	$ 216,891
1992	196,541
1993	167,739
1994	124,441
1995	135,894
	$ 841,506
Other Years	514,944
Total	**$ 1,356,450**

Note 12. Comparative Figures

Certain of the 1989 comparative figures have been reclassified to conform to the current year's financial statement presentation.

Note 13. Other Information

The Government established a Steering Committee on Legislative Reform with the mandate to propose future amendments to The Workers Compensation Act, Statutes of Manitoba, Chapter W-200, as amended. These proposed amendments, if enacted, are expected to have a significant impact on the WCB's future financial position and operations.